GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

AMENDMENT C

COMMUNITY DEVELOPMENT BLOCK GRANT – DISASTER RECOVERY (CDBG-DR)
SOCIAL INTEREST HOUSING (SIH) PROGRAM

PRDOH REGISTERED DEC 03 2024 2021-DR0199 CDBG-DR CONTRACT ADMINISTRATION

AMENDMENT C TO THE SUBRECIPIENT AGREEMENT
BETWEEN THE
PUERTO RICO DEPARTMENT OF HOUSING
AND
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.
Contract No. 2021-DR0199
Amendment No. 2021-DR0199C

This **AMENDMENT C TO THE SUBRECIPIENT AGREEMENT** ("**AMENDMENT C**") is entered into this 27 day of November, 2024, by and between the **PUERTO RICO DEPARTMENT OF HOUSING** ("**PRDOH**"), a public agency of the Government of Puerto Rico created under Act No. 97, of June 10, 1972, as amended, 3 L.P.R.A. § 441 *et seq.*, known as the "**Department of Housing Organic Act**" ("**Organic Act**"), with principal offices at 606 Barbosa Ave., San Juan, Puerto Rico, represented herein by its Secretary, Hon. William O. Rodríguez Rodríguez, of legal age, attorney, single, and resident of Guaynabo, Puerto Rico; and **PONCE NEIGHBORHOOD HOUSING SERVICES, INC.** ("**Subrecipient**"), a non-profit corporation with principal offices at Ponce, Puerto Rico, represented herein by its Executive Director, Elizabeth Colón Rivera, of legal age, single, and resident of Ponce, Puerto Rico; collectively the "**Parties**".

I. RECITALS AND GENERAL AWARD INFORMATION

WHEREAS, on May 4, 2021, the Parties executed a Subrecipient Agreement, Contract Number **2021-DR0199** ("**Agreement**"), for **TWO MILLION FIVE HUNDRED THOUSAND DOLLARS ($2,500,000.00)** for the Subrecipient to undertake its activities under the **Social Interest Housing** ("**Program**"). The Parties agreed on a performance period of **two (2) years** from the date of the execution of the Agreement, ending on **May 4, 2023**.

WHEREAS, on November 2, 2021, the Parties executed an **Amendment A** to the Agreement, Contract Number **2021-DR0199A** ("**Amendment A**"). Via **Amendment A,** the Parties agreed to increase the total budget amount to **FIVE MILLION DOLLARS ($5,000,000.00)**. Updated versions of **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), **Exhibit E** (Funds Certification), **Exhibit F** (HUD General Provisions) and **Exhibit G** (Special Conditions), and **Exhibit H** (Subrogation and Assignment Provisions), were hereto incorporated by reference into the Agreement. All other provisions of the Agreement remained unaltered.

WHEREAS, on May 4, 2023, the Parties executed **Amendment B** to the Agreement, Contract Number **2021-DR0199B** ("**Amendment B**"). Via **Amendment B,** the Parties agreed to extend the **END DATE** of the Agreement to **December 4, 2024**. The **GENERAL AWARD INFORMATION** table in **Section I.** was added, and modifications to **Section V. EFFECTIVE DATE AND TERM** of the Agreement were incorporated to accommodate the aforementioned term extension. Also, updated versions of **Section II. ATTACHMENTS**, **Section X. COMPLIANCE WITH FEDERAL STATUTES, REGULATIONS AND THE TERMS AND CONDITIONS OF THE FEDERAL AWARD AND ADDITIONAL PRDOH REQUIREMENTS**, **Section XI. CDBG-DR POLICIES AND PROCEDURES**, and **Section XII. FORCE MAJEURE**, were incorporated by reference into the Agreement. Moreover, **Section XXXI. SYSTEM FOR AWARD MANAGEMENT (SAM) REGISTRATION** and **Section XXXII. LIMITATIONS PENDING ENVIRONMENTAL CLEARANCE**, were added. In addition, updated versions of **Exhibit B** (Timelines and Performance Goals), **Exhibit F** (HUD General Provisions), and **Exhibit H** (Subrogation and Assignment Provisions were incorporated via **Amendment B.**

Furthermore, new **Exhibit J** (Non-Conflict of Interest Certification) was added via **Amendment B**. All other provisions of the Agreement, including the total budget amount, remained unaltered.

WHEREAS, as per Section IX (A) of the Agreement, the Agreement may be amended in writing and signed by a duly authorized representative of each party. Nonetheless, the amendment shall not invalidate the Agreement, nor release the Parties from their obligations under the Agreement.

WHEREAS, this **AMENDMENT C** does not constitute an extinctive novation of the obligations of the Parties under the Agreement.

WHEREAS, the PRDOH has the legal power and authority, in accordance with its enabling statute, the Organic Act, the Federal laws and regulations creating and allocating funds to the CDBG-DR Program, and the current Action Plan, to enter into this **AMENDMENT C**.

WHEREAS, the Subrecipient has duly adopted the Resolution dated October 13, 2023, authorizing its Authorized Representative, Elizabeth Colón Rivera, to enter into this **Amendment C** with the PRDOH in its behalf; and by signing this **Amendment C**, the Subrecipient assures PRDOH that Subrecipient shall comply with all the requirements described herein.

NOW, THEREFORE, in consideration of the mutual promises and the terms and conditions set forth herein, the PRDOH and the Subrecipient agree to execute this **AMENDMENT C** subject to the following:

II. TERMS AND CONDITIONS

A. SAVINGS CLAUSE

The information included in this **AMENDMENT C** serves the purpose of modifying and amending certain terms and conditions under the Agreement, as established in the following Sections B and C of this **AMENDMENT C**. All other provisions of the original Agreement, including its exhibits, shall continue to be in full force and effect.

B. SCOPE OF THE AMENDMENT

The goal of the Program is to utilize CDBG-DR funds to create housing for highly vulnerable populations such as, but not limited to: homeless, senior citizens, domestic violence victims, persons with intellectual disability, persons with developmental and/or physical disability, persons living with HIV/AIDS, individuals recovering from addiction and individuals with other functional or access needs. In order to achieve the Program goals, the Parties acknowledge and agree that it is necessary to amend the END TERM of the Agreement to **May 31, 2026**.

Modifications to the **GENERAL AWARD INFORMATION** table **in Section I.**, **Section II. ATTCHMENTS, Section V. EFFECTIVE DATE AND TERM**, **Section XI. CDBG-DR POLICIES AND PROCEDURES**, and **Section XVII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS** of the Agreement are being incorporated via this **AMENDMENT C**. Also, updated versions of **Exhibit A** (Scope of Work), **Exhibit B** (Timelines and Performance Goals), **Exhibit C** (Key Personnel), **Exhibit D** (Budget), and **Exhibit F** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements), are being

incorporated by reference into the Agreement. Moreover, **Exhibit E** of Amendment A is being renumbered, as **Exhibit E-1**, and incorporated into the Agreement.

As stated before, all other provisions of the original Agreement, including the total authorized budget, remain unaltered.

C. AMENDMENTS

a. The Parties wish to amend the **GENERAL AWARD INFORMATION** table in **Section I.** of the Agreement as follows:

CDBG-DR Grantee Federal Award Identification Number:	B-18-DP-72-0001
CDBG-DR Grantee Federal Award Date:	February 21, 2020
CDBG-DR Grantee Unique Entity Identifier:	Unique Entity ID: FFNMUBT6WCM1
Federal Award project description:	See **Exhibit A** ("Scope of Work")
Subrecipient Contact Information:	Elizabeth Colón Rivera Executive Director Ponce Neighborhood Housing Services, Inc. 57 Mendez Vigo Street Ponce, PR 00730
Subrecipient Unique Identifier:	Unique Entity ID #: ZF8ALBM6D9N3
Subaward Period of Performance:	Start Date: Effective Date, as defined in **Section V** of the Agreement, as amended. End Date: **May 31, 2026**
Funds Certification:	Dated: April 23, 2021 Authorized Amount: **$2,500,000.00** Funds Allocation: CDBG-DR "R01H11SIH-DOH-LM" Account Number: 6090-01-000 See **Exhibit E** ("Funds Certification") ——— Dated: October 26, 2021 Authorized Amount: **$2,500,000.00** Funds Allocation: CDBG-DR "r02h11sih-doh-lm" Account Number: 6090-01-000 See **Exhibit E-1** ("Funds Certification") Total Authorized Amount: **$5,000,000.00**

b. **Section II. ATTACHMENTS** of the Agreement is being amended to incorporate **Exhibit E-1** (Funds Certification) in the list of exhibits that are attached to the Agreement:

The following attachments are incorporated into this Agreement by reference and are hereby made part of this Agreement:

Exhibit A	Scope of Work
Exhibit B	Timelines and Performance Goals
Exhibit C	Key Personnel
Exhibit D	Budget
Exhibit E	Funds Certification
Exhibit E-1	*Funds Certification*
Exhibit F	HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements
Exhibit G	Special Conditions
Exhibit H	Subrogation and Assignment Provisions
Exhibit I	Insurance Requirements
Exhibit J	Non-Conflict of Interest Certification

c. **Section V. EFFECTIVE DATE AND TERM** of the Agreement is being amended as follows:

This Agreement shall be in effect and enforceable between the parties from the date of its execution. The performance period of this Agreement extends from the date of its execution, ending on **May 31, 2026.**

The End of Term shall be the later of: (i) **May 31, 2026***; (ii) the date as of which the Parties agree in writing that all Close-Out Requirements*[1] *have been satisfied or, where no Close-Out Requirements are applicable to this Agreement, the date as of which the Parties agree in writing that no Close-Out Requirements are applicable hereto; or (iii) such later date as the Parties may agree to in a signed amendment to this Agreement.*

[...]

d. **Section XI. CDBG-DR POLICIES AND PROCEDURES** of the Agreement is being amended as follows:

In addition to what is established in this SRA, the Subrecipient shall comply with all CDBG-DR/MIT program-specific and general policies and procedures, which may include but are not limited to, the Subrecipient Management Policy, OS&H Guideline, MWBE Policy, URA & ADP Guidelines, Cross Cutting Guidelines, AFWAM Policy, Section 3 Policy, Personally Identifiable Information, Confidentiality, Language Access Plan, and Nondisclosure Policy and Conflict of Interest and Standards of Conduct Policy, as found in the CDBG-DR/MIT Website (https://recuperacion.pr.gov/en/resources/policies/), which are herein included and made an integral part of this SRA, as they may be updated from time to time, Procurement policies and procedures in accordance with the Procurement Manual for the CDBG-DR, CDBG-MIT, and CDBG State Programs Regulation No. 9506 (effective

1 "Close-Out Requirements" means all requirements to be satisfied by each party in order to close-out this Agreement and the CDBG-DR funds provided herein in accordance with applicable Requirements of Law, including the execution and delivery by one or more of the Parties of all close-out agreements or other legal instruments and the taking of any actions by one or more of the Parties in connection with such close-out, in any case as required under applicable Requirements of Law.

on October 25, 2023), and reporting requirements as established by the PRDOH.

e. **Section XVII. CONSOLIDATIONS, MERGERS, CHANGE OF NAME, OR DISSOLUTIONS** of the Agreement is being amended as follows:

A. *Consolidation or Merger*

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for consolidation or merger with another entity (private or public), by its discretion or otherwise, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of the consolidation or merger. The notice shall include, but not be limited to, a description of: the expected effective date of the consolidation or merger; the name of each of the constituent entities moving to consolidate or merge into the single resulting or surviving entity; the proposed name of the resulting entity (in case of a consolidation) or the name of the surviving entity (in case of a merger) if necessary; reference to the projected capacity of the resulting or surviving entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement as well as its Exhibits or Attachments; and a brief summary of the proposed plan to achieve the transition of duties (Scope of Work or Scope of Services), tasks, and performance goals or requirements to the resulting or surviving entity.*

Upon the consolidation or the merger becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not be limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment. ***No amendment to the Agreement will be necessary if the Subrecipient, Contractor, or Subcontractor becomes the surviving entity following a merger.***
Failure to comply with any of the before-mentioned conditions may result in the activation of the termination clauses provided in the Agreement.

B. *Change of Name*

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH initiates a change of name process, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of such event. The notice shall include, but not be limited to, a description of: the expected effective date of the change of name; the proposed name; notify about inform of any change of address; and reference of any change in the capacity of the entity to comply with the terms, conditions, obligations, tasks, services, and performance goals or requirements included in the Agreement, as well as its Exhibits or Attachments.*

Upon the change of name becoming effective and supporting evidence of such event is notified to PRDOH, execution of an Amendment to the Agreement may follow. The Amendment would include, but not limited to, modifications to the clauses that refer to the identity, personal circumstances, address, and any other information related to the signing party deemed relevant by PRDOH for the execution of the Amendment.

Failure to comply with any of the before-mentioned conditions may result in the activation of the termination clauses provided in the Agreement.

C. Dissolution

In the event that the signing party (e.g., Subrecipient, Contractor, or Subcontractor) of the Agreement with the PRDOH moves for dissolution of the entity, written notice of such decision or event shall be delivered to the PRDOH Legal Division at contractscdbgdr@vivienda.pr.gov ***at least fifteen (15) days*** *prior to the effective date of such event. The notice shall include, but not be limited to, a description of the expected effective date of the dissolution; and contact information of one or more of its directors, officials, or agents. Upon dissolution becoming effective and supporting evidence of such event is notified to PRDOH, termination of the Agreement will follow. Consequently, the signing party acknowledges and agrees to provide to the PRDOH, after termination of the Agreement, the assistance reasonably requested to facilitate the orderly transfer of responsibility for the performance of the tasks or services to the PRDOH or a third party designated by the PRDOH. Moreover, all finished or unfinished records (files, data, work product) connected with this Agreement will be turned over to PRDOH following the Agreement termination.*

f. **Exhibit A** (Scope of Work) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement to revise the language for consistency with the changes implemented in Exhibit B. Language that is inconsistent with the expected deliverables is being either revised for clarity or removed entirely. This will ensure alignment between the project's scope and the deliverables outlined in Exhibit B, improving accuracy and facilitating better performance tracking throughout the project phases. (**Attachment I**).

g. **Exhibit B** (Timelines and Performance Goals) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement to align it with program activities and closeout. Key Activities, Timelines & Performance are being modified to better align subrecipient deliverables and timelines to achieve the Program's objectives. This adjustment will enable the Program to more effectively measure and monitor the subrecipient's performance across the various phases of the proposed project, such as planning, design, construction, and closeout. (**Attachment II**).

h. **Exhibit C** (Key Personnel) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement to align it with current program templates and modify it as follows:

a. The Personnel Breakdown table is being removed and incorporated in Exhibit D – Budget.
b. Project Manager II position is eliminated, as this service is being provided to the subrecipient by the PRDOH, and Project Manager I position is being renamed to Project Coordinator. Corresponding role description is being updated. (**Attachment III**).

i. **Exhibit D** (Budget) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement to align it with the changes implemented in Exhibit C and the subrecipient's current staffing and budgetary needs. Therefore, the distribution of Self-Performed Services (personnel breakdown) is being modified as follows:
a. The Project Manager II position is being removed.
b. The Project Manager I position is being renamed to Project Coordinator.
c. FTE column is being removed. Max Monthly Cost column is being renamed to Estimated Monthly Cost. FTE allocation varies per position and staff positions may incur in additional hours based on program needs.
d. The Total Maximum Monthly Cost is being reduced to $20,930.10.
e. The Distribution of Authorized Maximum Budget tables for the projects are being updated based on the latest approved Budget Redistribution. (**Attachment IV**).

j. **Exhibit E** (Funds Certification) of Amendment A is being renumbered, as **Exhibit E-1**, and incorporated into the Agreement. (**Attachment V**).

k. **Exhibit F** (HUD General Provisions and Other Federal Statutes, Regulations, and PRDOH Requirements) of the Agreement is being replaced by an updated version hereto incorporated by reference into the Agreement (**Attachment VI**).

III. SEVERABILITY

If any provision of this **AMENDMENT C** is held invalid, the remainder of **AMENDMENT C** shall not be affected thereby, and all other parts of this **AMENDMENT C** shall nevertheless be in full force and effect.

IV. SECTION HEADINGS ANDSUBHEADINGS

The section headings and subheadings contained in this **AMENDMENT C** are included for convenience only and shall not limit or otherwise affect the terms of the Agreement, and shall not be used to explain, modify, simplify, or aid in the interpretation of the provisions of this **AMENDMENT C.**

V. COMPTROLLER REGISTRY

The PRDOH shall remit a copy of this **AMENDMENT C** to the Office of the Comptroller for registration within **fifteen (15) days** following the date of execution of this **AMENDMENT C** and any subsequent amendment thereto. The services object of this **AMENDMENT C** may not be invoiced or paid until this **AMENDMENT C** has been registered by the PRDOH at the Comptroller's Office, under Act No. 18 of October 30, 1975, as amended by Act No. 127 of May 31, 2004.

VI. ENTIRE AGREEMENT

The Agreement, as amended, constitutes the entire agreement among the Parties for the use of funds received under the Agreement, as amended, and it supersedes all prior

or contemporaneous communications and proposals, whether electronic, oral, or written among the Parties concerning the Agreement, as amended.

VII. FEDERAL FUNDING

The fulfillment of the Agreement, as amended, is based on those funds being made available to the PRDOH as the lead administrative agency for Recovery. All expenditures under the Agreement, as amended, must be made in accordance with the Agreement, as amended, the policies and procedures promulgated under the CDBG-DR Program, and any other applicable laws. Further, the Subrecipient acknowledges that all funds are subject to recapture and repayment for non-compliance.

VIII. NON-CONFLICT OF INTEREST CERTIFICATION

The Subrecipient reassures PRDOH of its willingness to comply with the applicable conflict of interest policies by signing the Non-Conflict of Interest Certification incorporated by reference into the Agreement via this **AMENDMENT C** (**Attachment VII**).

IN WITNESS THEREOF, the Parties hereto execute this **AMENDMENT C** in the place and on the date first above written.

PUERTO RICO DEPARTMENT OF HOUSING
CDBG-DR Grantee

By: _____
Name: William O. Rodríguez Rodríguez
Title: Secretary

PONCE NEIGHBORHOOD HOUSING SERVICES, INC.
Subrecipient

By: _____
Name: Elizabeth Colón Rivera
Title: Executive Director

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT I

EXHIBIT A
SCOPE OF WORK
SOCIAL INTEREST HOUSING PROGRAM
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

1. Program Overview/Background

This Scope of Work defines the Subrecipient tasks, that must be performed in order to support the Puerto Rico Department of Housing (**PRDOH**) in the implementation of the **Social Interest Housing** (**SIH**) **Program**; as part of Puerto Rico's recovery efforts, in accordance to Federal, State, and Local regulations, and in connection with appropriated disaster assistance funding under the Community Development Block Grant for Disaster Recovery (**CDBG-DR**) Program.

The Program's goal is to expand existing housing solutions to increase the number of vulnerable populations served, and/or bring existing housing to decent, safe, and sanitary conditions, in compliance with applicable provisions of federal, state and local laws, building codes, ordinances, rules and regulations, accessibility, health and safety standards.

The activities under this Program will be managed and implemented by the Subrecipient, and overseen by PRDOH, which may in its discretion procure Consultant[s] to implement any aspect of such eligible Program Activities. With the intent of being consistent with the requirements of this Subrecipient Agreement (**SRA**), the Subrecipient shall be reimbursed for any Eligible Costs incurred in carrying out Program Activities within eligible budget amounts.

The PRDOH reserves the right to modify or delete the task listed and, if appropriate, add additional tasks prior to and during the term of the agreement.

2. National Objective

Given that the Program will provide funding to a wide range of activities, PRDOH anticipates that the National Objective shown below will be applicable.

The National Objective of this Program is to benefit Low- and Moderate-Income (**LMI**) persons[1] (below eighty percent (80%) Area Median Family Income (**AMFI**) according to the HUD Modified Income Limits for CDBG-DR Puerto Rico[2]), through the Limited Clientele (**LC**) LMI sub-category. To qualify under the LC subcategory, activities funded under this Program must meet one (1) or more of the criteria listed in the SIH Program Guidelines.

3. Program Description

The Program will be overseen by the Puerto Rico Department of Housing (**PRDOH**) and implemented by eligible Non-Profit, Non-Governmental Organizations (**NGOs**) – as Subrecipients – who respond, with a viable Project proposal, to a Notice of Funding Availability (**NOFA**).

The objectives of the Program are the following:

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[1] 24 C.F.R. § 570.483 (b)
[2] These limits change annually.

- Provide funding to Applicants who are committed to providing social interest housing and working with diverse populations to ensure accessibility of individuals having a wide-range of socioeconomic, physical, emotional, and other impairments.
- Provide funding to Applicants to expand existing housing to increase the number of vulnerable persons served and/or bring existing housing to decent, safe, and sanitary conditions, in compliance with applicable State and Local government construction codes, and health and safety standards in disaster impacted areas.

Program funding will be based on organizational qualifications and identification of highly vulnerable populations.

4. General Tasks

The Subrecipient must work closely with the PRDOH to accomplish the identified tasks. The Subrecipient may be required to implement these general tasks throughout the life of the Program until its closeout.

PRDOH will provide funding and technical assistance to the Subrecipient to complete the following tasks:

Task 1. Acquisition of Property (if applicable)

Activity: Acquisition of real property by PRDOH, including acquisition of property under the SIH Program, is subject to the real property acquisition requirements established in Puerto Rico Executive Order No. 4 of January 20, 2004 (OE-2004-04). Prior to completing the acquisition of real property, PRDOH must obtain the following documents:

a) Survey Plans and/or project plans, such as construction or demolition plans, schematic drawings, engineering drawings, among others;
b) Property registry certification of the property to be acquired, issued no more than **six (6) months** prior to the acquisition;
c) A debt certification from the property owner issued by the Puerto Rico Department of Treasury, issued within **six (6) months** of submission to PRDOH;
d) Letter from PRDOH authorizing the acquisition of the property.

The Subrecipient shall sign all the required documentation and any other requirement given by PRDOH.

Task 2. Temporary Relocation (if applicable)

Activity: Subrecipient may use CDBG-DR funds for temporary relocation payments and assistance to persons displaced by an activity that is not subject to the requirements described above. This may include payments and other assistance for temporary relocation (when persons are not permanently displaced).

Applicants to the SIH Program qualify for temporary relocation assistance, only if they must vacate the storm-impacted property during program-sponsored construction. Applicants who are not residing in the storm-impacted property for any reason other than program-sponsored construction are not eligible for temporary relocation assistance. The SIH Program may provide temporary relocation assistance only on an extremely limited basis and as a last resort for applicants to secure temporary housing during program-sponsored construction.

In order to qualify for temporary relocation assistance, the Applicant must:

Be determined to be eligible to receive assistance that requires the Applicant vacate the damaged property during construction:

a) Have an income of less than fifty percent (50%) of HUD-approved income limits for Puerto Rico;
b) Have no Duplication of Benefits (**DOB**) issues that could prevent the Program from providing services.
c) Have exhausted all possible options to temporarily reside with friends, family, in self-funded housing or any other options available; and
d) Have no other options for temporary housing.

The Subrecipient will provide and submit documentation to PRDOH that supports the temporary relocation qualifications.

Task 3. Document Control and Information Technology

Activity: Subrecipient shall engage in the use of the latest technologies for the document controls and information technologies as an ancillary requirement to operate and interact with the SIH Program as mentioned in the section *5.1 Eligible Activities* of the SIH Program Guidelines. No additional compensation for the implementation, maintenance, or licenses of these technologies will be provided to the Subrecipient.

The Subrecipient is expected to use and implement commercial technologies for communication(s) purposes, that are deemed necessary to coordinate and complete the project.

The Subrecipient shall provide general contact information regarding the designated Point of Contact (POC) to establish initial and regular communication with PRDOH. The Subrecipient shall also be granted access to into the Grant Compliance Portal and will be responsible to submit all the required documentation throughout the Program/Project's life.

Task 4. Training

Activity: The Subrecipient must attend and complete the courses required by PRDOH. The Subrecipient will be responsible to participate in mandatory sessions of training, but not limited to the following:

Module Series Name	Module Description
CDBG-DR 101	Participants will learn the basic requirements for the CDBG-DR, eligible disaster activities, national objectives requirements and the waiver process.
Fair Housing & Equal Opportunity 101	This module introduces the federal compliance statutes and federal guidance on Fair Housing, Equal Opportunity and related requirements, their applicability, and what triggers the need to comply for difference program areas.
Davis-Bacon 101	This module introduces the federal compliance statutes and other federal guidance on Davis-Bacon, its applicability, and what triggers the need to comply.

Section 3 & M/WBE 101	This module introduces the federal compliance statutes and other federal guidance on Section 3 and M/WBE, its applicability, and what triggers the need to comply.
Environmental 101	This module introduces Environmental Review requirements typically associated with CDBG-DR activities, timing, and planning considerations for compliance, and tips and resources available to grantees.
Procurements 101	This module introduces Procurements terminology and processes. The module will also approach Conflict of Interest concepts relevant to Procurement Processes.
Finance 101-104	These modules introduce Finance terminology and processes. The modules will also include the development of internal controls and implementation of such, as well as monitoring procedures to ensure the effectiveness of internal protocols.
Recordkeeping 101	This module introduces the Recordkeeping requirements and processes.
Anti-fraud, Waste, Abuse, & Mismanagement 101	This module introduces Anti-Fraud, Waste, Abuse and Mismanagement requirements and processes. The session will also approach Conflict of Interest concepts.
Grant Management/Administration Principles 101-107	These modules introduce the roles and responsibilities of subrecipients, applicable systems to manage CDBG-DR program data, management

Task 5. Reporting

Activity: The Subrecipient will be responsible to submit progress reports to the PRDOH to inform status of tasks, work progress, construction schedule analysis, and financial status by project(s). Each report must be prepared in compliance with PRDOH's reporting requirements.

As requested, the Subrecipient shall meet with the PRDOH to discuss the status of the project(s), applicant concerns, and any other issues that may have arisen during the administration of the assigned SIH Program.

The Subrecipient will provide the PRDOH with milestone reports on established schedule, as well as required documents to the Grant Compliance Portal for PRDOH to monitor the project(s). This system will serve as the Subrecipient digital platform to upload all required information permitting the review and approval by designated personnel. Access will be provided by PRDOH.

The Subrecipient will compile and review the necessary information to also prepare reports required by HUD and will comply with HUD regulations.

Additionally, the Subrecipient will present to the PRDOH, on an established periodic basis, a complete inventory of assets with an acquisition price of five hundred dollars ($500.00) or more and a useful life of one (1) year or longer, furnished by the PRDOH or funded by the CDBG-DR grant, including items such as: equipment, furniture, computers, phones, laptops, network printers, network equipment, etc., if applicable.

Finally, the Subrecipient will complete any other task necessary to ensure proper accounting and reporting as required by the Program.

The SUBRECIPIENT shall complete and submit all reports, in such form and according to such schedule, as may be required by the PRDOH and/or the Government of Puerto Rico. The SUBRECIPIENT shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 2 C.F.R. § 200.328 and 24 C.F.R. §570.507, when applicable.

Task 6. Invoicing

Activity: The Subrecipient will be responsible for submitting invoices for the reimbursement of costs, regarding internal staff or contracted services. This will occur through PRDOH's Financial Management System, to ensure that submittals are completed within compliance of regulations and standards. Upon the execution of the SRA, the Subrecipient will receive training on how to properly use this Financial Management System. Reimbursement is contingent upon provision and acceptance of adequate invoicing materials. Those required materials include proof of payment, daily time sheets with description of tasks and activities performed, and others as described in the PRDOH Finance Manual. Staff time will be reviewed for cost allowability, reasonableness, and allocability prior to reimbursement, and may be returned if described tasks and activities are not relevant to the SIH Program, or if documentation is insufficient or for any other reason deemed necessary by PRDOH Finance.

A Monthly Progress Report shall be submitted to PRDOH upon the fifth of each month, prior to the submission of the invoice. PRDOH will have an allotted time period (**ten (10) days**) of the following month, to address the Subrecipient's invoice.

The Requests for Reimbursements Form must be submitted with all supporting invoices, bills, time sheets, the Monthly Report, and any other document necessary to justify the payment or any other supporting document requested by PRDOH. The Request for Reimbursement must be accompanied by supporting documentation from the Subrecipient demonstrating that all procurements for goods and services have been made, are in accordance with this Agreement.

5. Specific Tasks: Project development tasks

The Subrecipient will prepare and submit all necessary documentation related to proposed projects for development under this Program. Proposed projects documentation shall demonstrate compliance with all eligibility requirements established in the SIH Program Guidelines and must be submitted via the Grant Management System. Submitted documentation must comply with the CDBG-DR funds requirement which can only be used on costs that are defined within the Program Guidelines and within the SIH NOFA. In this role, the Subrecipient will

manage all major aspects of the Program. The Subrecipient must work closely and regularly with the PRDOH to identify and accomplish the tasks at hand. The Subrecipient may be required to coordinate with other firm(s), contracted by the PRDOH, that will be providing services for other CDBG-DR Programs.

PRDOH will provide funding and technical assistance to the Subrecipient to complete the following tasks:

Task 7.1. Subrecipient Staff

Activity: The Subrecipient shall submit to PRDOH a revised Organizational Structure Chart presenting each position, necessary to perform all tasks of this Agreement. The Organizational Structure Chart shall identify which positions will be provided by Subrecipient's employees and which positions will be provided through subcontracted professional services. The Organizational Chart must be submitted within **ten (10) business days** after the signing of the Agreement.

For each professional service to be contracted, the Subrecipient shall submit a plan for procurement of services including the following information: service description, schedule of request announcement and estimated cost of service. All procurement shall be fulfilled in the Grant Compliance Portal for record keeping purposes.

The Subrecipient shall submit to the PRDOH the request for authorization of key personnel that will perform services for the positions established in **Exhibit C** (Key Personnel) of this Agreement. The PRDOH will provide necessary forms to Subrecipient for authorization requests of employees. The PRDOH will not reimburse the Subrecipient for work performed by employees without an authorization before performing work.

After the signing of the Agreement, the Subrecipient shall submit an Organizational Structure Chart to the Grant Compliance Portal, for record keeping purposes. Additionally, the Subrecipient will submit a plan for procurement for each contracted service, **Exhibit C**.

Task 7.2. Project(s) Work Plan Submission

Activity: After receiving Pre-Application approval from PRDOH, the Subrecipient will prepare and submit all required forms and documentation for the completion of the Project Application in compliance with the Program Guidelines and procedures, utilizing internal staff and/or contracted professional services. The Subrecipient shall submit a Project Workplan for each project Application. The submission of each Project Workplan documentation shall be made via the Grant Compliance Portal. At minimum, the Workplan shall contain, but not limited to:

- Project Detail Description - Project location and Site Plan identifying the project limits, proposed buildings footprint, parking, vehicular and pedestrian access, zoning setbacks, easements, open spaces, and landscape-communal areas.
- Requirements - Meet the CDBG-DR Program Guidelines and Specify any local and federal code that is required and must comply for the project.
- Land and Topography - Provide the Land and Topography Survey Map including utilities, easements, and existing trees.

- Zoning and Code Compliance - Provide the corresponding zoning map and identify the parcels where the Project is located. The zone district of the parcels shall be also identified.
- Implementation Schedule - Specify the corresponding duration in weeks for each task (activity).
- Cost Estimate - In accordance with the Puerto Rico Disaster Recovery Action Plan, as amended, to ensure the cost reasonableness of the goods and services under the CDBG-DR program, the Subrecipient for the SIH Program may perform the following analysis to assess cost reasonableness:
    - **Comparison of Proposed Prices and Historical Contracts**: Historical data can be used to compare the cost of materials and activity of similar projects. Depending on the timing of the prices being compared, adjustments for inflation may be required to compare data in a fair manner.
    - **Comparison of Proposed Prices with Prices Obtained through Market Research**: When a good or service has an established market price, whether locally or in another jurisdiction, the verification of an equal or lower price may be used to establish cost reasonableness. Also, when the market value of a specific good or service is not found, a comparison with a substantially similar good or service may also be performed to establish cost reasonableness.

The Subrecipient may acquire professional services to prepare and submit the Application documentation for the project(s). To acquire professional services, the Subrecipient shall comply with procurement processes in compliance with the federal procurement rules and regulations found in 2 CFR § 200.318 through §200.327.CDBG-DR Program.

All new construction, rehabilitation and renovation works for the SIH Program are required to follow federal, state, and local codes, rules and regulations. Works must also be performed after obtaining all required endorsement and permits. The Subrecipient shall ensure compliance with all applicable provisions of federal, state and local laws, building codes, ordinances, rules and regulations, and accessibility, health and safety standards, and any other requirement for the works to be undertaken by the SIH Program.

The Subrecipient will be responsible to provide all professional services including but not limited to, project management services, inspection services, and design/build services. Figure 1 provides an example of an organizational structure to be implemented by the Subrecipient.

Procured Design / Build Workflow:

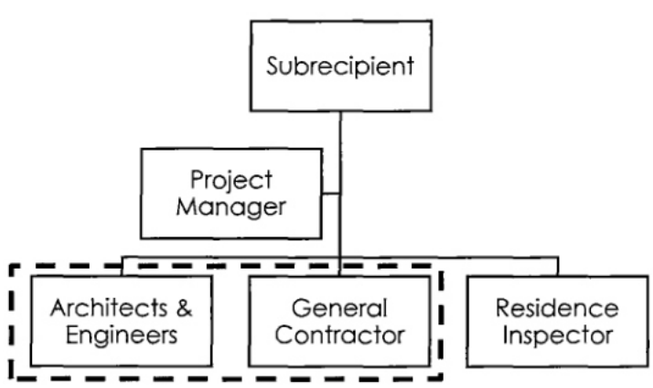

Figure 1. Subrecipient Organizational Chart for Design Build, (Architects, Engineers, & Contractors are a joint-venture and require a single contract).

The Subrecipient will fulfill the professional services in compliance with the following roles and responsibilities (see Tasks 1). One of the above workflow methods will be selected and approved by PRDOH for the given Project.

Through the Grant Compliance Portal, the subrecipient will submit all outstanding forms and documentation for the Project Application. The Subrecipient will also present a Workplan for each project application.

Task 7.2.1. Project Management Services

Activity: Utilizing internal staff and/or contracted professional services, the Subrecipient shall fulfill all the required Project Management Services to incorporate the best construction management and administrative practices possible, for the SIH Program. These practices may include but are not limited to the following examples of roles and responsibilities listed below.

In order to acquire and proceed with these professional services, the Subrecipient shall abide by the applicable procurement process for CDBG-DR. The Subrecipient will submit the Project Management Services Procurement Package to PRDOH for record keeping purposes.

a) Act as Point of Contact between the project's implementation and Executive Manager.
b) Lead coordination and control over execution of approved project(s) activities.
c) Assist coordination and report overall and specific project(s) activities.
d) Monitor project status and control team performance (including all staff and vendors under the subrecipient's direct and indirect supervision) in accordance with established performance goals, regulatory compliance, and quality standards and recommend corrective action and/or performance plan for underperforming team members, subcontractors, vendors, or other staff.
e) Lead and coordinate the implementation of change management, risk management, and quality assurance.
f) Lead and approve project(s) monitoring activities to prepare and present reports as required by the PRDOH.
g) Lead, coordinate, and facilitate all necessary high profile, program-wide public presentations, and meetings, subrecipient meetings, and government or non-government stakeholders' meetings.
h) Organize the selected personnel and subcontractors. Coordinate, support, and analyze performance measurement of subrecipients and contractors, and report results in coordination with PRDOH or representative.
i) Maintain a complete understanding of all applicable CDBG-DR Program's policies, requirements, procedures, and guidelines; and identify/promote all necessary corrective actions.
j) Coordinate documentation submissions for approved project(s).
k) Track and report status and performance of approved project(s).
l) Provide, coordinate, or manage technical assistance to technical team (e.g., consultants and employees performing technical work to develop project).
m) Review and recommend for payment, the invoices related to professional services certifications for payment and construction change orders.
    - Provide solutions to the unforeseen conditions and reduce contract modifications.
n) Monitor and prepare progress reports to communicate the status of work, pending matters, and the budgetary situation of the project(s).
o) Identify, communicate, and resolve delays or situations that affect the scope, budget, or schedule of the project(s).
    - Establish, prioritize, and enforce production and performance goals in alignment with Program priorities and objectives. Lead coordination and control over execution of all Program activities.

p) Lead the management of project development from each Project Application through necessary planning, design, construction, and closure of the project.
q) Monitor compliance with applicable regulations, laws, safety codes, standards, policies, management of program resources, including permit(s), environmental laws, and current procedures applicable to the development of construction project as mentioned in the SIH Program Guidelines.
r) Deliver staff listed in **Exhibit C** promptly to support Program demands, which may increase or decrease as needed and can change throughout the Program life cycle. Always ensure enough staff to support timely and efficient Program operations.
s) Establish, communicate, and enforce standard, efficient, and streamlined processes and strategies to support delivery of Program goals, risk management, quality assurance, and change management; engage in total quality management practices to regularly evaluate effectiveness of established processes and implement change when needed. Processes may be subject to PRDOH review and approval.

To acquire professional services for the construction and management of the Project, the Subrecipient will complete and submit the Project Management Services Procurement Package to PRDOH for record keeping purposes.

Task 7.2.2. Design-Build Services

Activity: Mainly, Design and Construction services will be required for projects of new construction, rehabilitation, and renovation. They may resemble single family housing units, (detached or otherwise), two-unit structures, multi-unit properties, group homes, or other property types that abide by the standards within Special Interest Housing that benefit the targeted population being served.

Utilizing internal staff and/or contracted professional services, the Subrecipient shall perform all required Construction Services. To acquire professional services, the Subrecipient shall comply with the applicable procurement processes. The Subrecipient will submit the procurement package, Design-Build Services to PRDOH for record keeping purposes.

PRDOH reserves the right to require revision(s) and resubmission(s) of draft award documentation.

To acquire Design-Build services, the Subrecipient may submit the Procurement Package and corresponding documentation, and further await PRDOH revision.

Task 7.3. Project Design Development Activity: By means of internal staff and/or contracted professional services, the Subrecipient shall prepare all necessary construction documents for project development and implementation for the project approved by the PRDOH. This Task includes preparation of all required construction documentation including, but not limited to, the following examples: construction drawings and technical specifications, property acquisition drawings and documentation, technical studies, and analyses, required permits and endorsements, cost estimates, construction schedule (CPM), and all necessary construction bid documentation. During the preparation of the above-mentioned documents, the subrecipient can choose to incorporate resilient materials, concrete, as well as resilient characteristics, seismic restraints for equipment and if applicable windstorm resistant for exterior windows following up to date building codes.
During the performance of this Task, the Subrecipient shall conduct and complete the required deliveries for PRDOH. The submissions of construction documentation will be delivered in compliance with established benchmarks.

They will be subject to revision and must demonstrate the progress of work in compliance with the roles and responsibilities specified in the procurement process. Delivery timelines and deadlines shall be coordinated with the PRDOH before commencing the design development of project.

After the revision of each delivery, the Subrecipient should expect comments from PRDOH that might require further revisions of the documentation. PRDOH expects to receive a Compliance Certification with each required progress delivery, to ensure that applicable codes and regulations are met and that the progress accomplished was prepared by the designated Registered Architect (RA)/Professional Engineer (PE) in charge of each project. The Subrecipient may request technical assistance from the PRDOH to prepare required documentation.

> *"I, [Name of the Architect or Engineer, license number #####], certify that I am the Professional who designed these plans and the complementary specifications. I also certify that I understand that such plans and specifications comply with the applicable provisions of the latest version of the Puerto Rico Building Code, Regulations of Agencies, Regulatory Boards or Public Corporations with jurisdiction.*
> *I acknowledge that any false statement or falsification of the facts that has occurred without knowledge or through negligence, whether by me, my agents, or employees or by other persons with my knowledge, hold me liable for any judicial and disciplinary action before any competent authority.*
> *I further certify that all forms, specifically those that are completed online, have been reviewed or prepared by me, which I understand are safe for the environment, health, and wellness in accordance with accepted standards, and that the information submitted is true. I further acknowledge that the falsification of any statement or the omission of relevant information will entail the corresponding legal and disciplinary actions, including, but not limited to, the file without prejudice to the case."*

Task 7.4. Environmental Review and Clearance

Activity: The Subrecipient will be required to submit all necessary information/documentation to the PRDOH Environmental Consultant that are contracted to prepare and process the required documentation. The Subrecipient will receive from the PRDOH Environmental Consultant the final Environmental Review. The Environmental clearance must be obtained for the Project to obtain the commitment of federal or non-federal funds for construction purposes. No construction can start until the Environmental Clearance is approved by PRDOH. Any violation of this requirement may jeopardize federal funding for the Program and may disallow all costs that were incurred before the completion of the Environmental Review.

Task 7.5. Construction Phase

Within the Construction Phase, the Subrecipient will monitor the performance of the Contractor by using the Timelines and Performance Goals as stated in **Exhibit B**. While PRDOH may consider additional costs as they arise, the Contractor must be prepared to perform (and document) the Designated Project's requirements in compliance with the Project Application process subject to PRDOH's approval thereof. In the event PRDOH's funds do not cover one hundred percent (100%) of the agreed upon budget, the Subrecipient must present a showing of committed supplemental funding.

The Subrecipient shall initiate the Construction Phase while keeping record and submitting the construction documentation as follows:

a) Coordinate and facilitate pre-construction meeting(s) for the project(s);

b) Prepare monthly inspection reports and certify the drawing request submitted by the General Contractor or Project Resident Inspector, in a timely manner.
c) Conduct pre-intervention process and make determinations regarding monthly draw requests which are submitted by the General Contractor. including monthly site and hard construction payments and approval of construction retainage payment (as part of this review, the subrecipient shall ensure that the General Contractor has met all of the prerequisites outlined in the CDBG-DR Program Guidelines and the Executed Agreement);
d) Ensure execution of monthly inspection(s);
e) Disburse CDBG-DR funding for approved drawing requests;
f) General Contractor must submit requests for Change Order(s) to the Resident Inspector, then he must evaluate and validate the Change Order(s) is a reasonable cost and then recommend proceeding to the Project Manager, the Subrecipient, and the Project Point of Contact. Finally, the Change Order shall be submitted to PRDOH via the Grant Management System.
g) Coordinate the compliance monitoring of the Davis-Bacon Act and all applicable CDBG-DR, federal and state regulations, and rules;
h) Monitor compliance with the Uniform Relocation Act;
i) Work with PRDOH to ensure environmental monitoring, as necessary;
j) Complete Punch List Inspection.

For the construction phase, the Subrecipient or designees will be responsible of guaranteeing adequate construction practices have been conducted and that the practices are following industry standards. They shall ensure that all contracted construction services have been completed before proceeding with project closeout.

Under this task, projects of new construction, rehabilitation and renovation will be considered completed only when the following conditions are met:

a) All the change order(s) requests have either been closed, eliminated, or executed
b) All punch lists have been corrected;
c) All non-conformance reports have been signed and approved by the Subrecipient.
d) Delivery of the Final Report and its corresponding Certification of Works has been completed.
e) The project has passed final inspection, as evidenced by the Written Inspection Report(s) from the Residence Inspector and Project Manager.
f) Final punch list has been executed and the Certificate of Occupancy ("Permiso de Uso") has been awarded to complete project closeout

Task 7.6. Construction Inspection Services

Activity: Utilizing internal staff and/or contracted professional services, the Subrecipient shall provide appropriate construction inspection services for the approved project(s). To acquire these professional services, the Subrecipient shall comply with the applicable procurement processes. The Construction Inspection Services Procurement Package must be submitted to PRDOH for record keeping purposes.

At a minimum, the Subrecipient shall comply with the following roles and responsibilities for construction inspection services:

a) Attend preconstruction meeting and participate in weekly construction meetings;
b) Serve as the field/construction Point of Contact;
c) Provide daily and regular correspondence with the General Contractor;

d) Coordinate the project schedule with the General Contractor, and other required participants;
e) Maintain necessary written communications with the Project Manager and Subrecipient;
f) Inspect and monitor the Project's progress and construction methods to ensure that construction work meets contract requirements;
g) Communicate and resolve field problems with the General Contractor, Project Manager, and any other affected parties;
h) Coordinate the necessary activities to perform required materials testing;
i) Coordinate the evaluation of testing results with Architect and/or Engineer to ensure compliance with project requirements;
j) Assist the General Contractor with the coordination of any required utility relocation;
k) Coordinate inspection activities with required Public or Private Utility Entity, as required by permits or endorsements;
l) Prepare and submit necessary digital monthly reports, which at a minimum, document weather conditions, on-site construction personnel, hours worked, construction equipment used, detailed description of construction activities observed, photos, and documentation of any field decisions;
m) Ensure compliance with all permits and endorsements of construction project;
n) Measure and document project quantities, maintain digital records and logs of all quantities;
o) If necessary, prepare cost estimates and to submit to Project Manager/Architect/Engineer, for review and approval;
p) Review General Contractor quality control documentation;
q) Coordinate survey and staking needs for the project;
r) Conduct wage interviews with individual employees to complete report documentation to provide to the Project Manager;
s) Prepare and finalize necessary project closeout documentation;
t) Prepare punch list items among other necessary lists of items and deficiencies that need to be corrected;
u) Monitor work zone traffic control;
v) Evaluate the overall progress of construction works;
w) Confirm that all contract requirements have been met by the contractors performing services and implementing the construction works;
x) Monitor project safety in compliance with the Occupational Safety and Health Administration (OSHA) regulations.

If necessary, the Subrecipient shall perform the Procurement for Construction Inspection services of the Project(s) in compliance with the scope established. The Subrecipient is responsible for coordinating construction inspection services to ensure that these services are contracted prior to the start of construction. Construction inspection services shall be provided throughout the entire construction phase and will abide by federal and state laws as well as the applicable local laws and regulations.

The Subrecipient shall submit Inspection Reports through the Grant Compliance Portal.

Task 7.7. Program Closeout

Activity: The Subrecipient will be responsible for the closeout process of the housing solution project. The closeout procedures and record documentation will be defined and coordinated with PRDOH, or its representatives. Following the Record Retention and Transmission of Records to the PRDOH Subrecipient. Subrecipient should:

a) Ensure Project related documents and deliverables have been submitted to PRDOH through the Grant Compliance Portal;

b) Maintain and preserve the Project's records until the time period required by the federal and state laws and regulations;
c) Assist with any audits perform by the Owner or its representatives;
d) Ensure that all Program funding has been expended in accordance to the Subrecipient Agreement and that suppliers/subcontractors have completed all tasks required.

Note: All records shall be retained and maintained for a period of at least **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. Furthermore, they must be made available to PRDOH upon request. Any other task necessary to ensure proper closeout of the SIH Program.

The Subrecipient shall ensure that the procured construction-related services submit a Construction Project Closeout Binder, which may include the following, as applicable to the Project:

a) Binder cover, dividers, and checklist;
b) Copy of the Agreement and its amendments:
c) Waterproofing system warranties;
d) Transfers of all warranties and equipment;
e) Operation and Maintenance Manuals:
f) List of vendors, supplier or manufacturer used:
g) Record drawings, signed and sealed;
h) Record specification, signed and sealed;
i) Master plumber certifications:
j) Professional electrician certifications (interior and exterior):
k) Submittal log and its digital copies in pdf format:
l) Copy of closing government permits: and
m) Any other documents required by the SIH Program.

END OF SCOPE OF WORK

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT II

EXHIBIT B
TIMELINES AND PERFORMANCE GOALS
SOCIAL INTEREST HOUSING PROGRAM
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

1. PROGRAM OBJECTIVE:

The Program aims to provide funding to applicants committed to providing Social Interest Housing and to expand existing housing to increase the number of vulnerable persons served and/or bring existing housing to decent, safe, and sanitary conditions and meet compliance with construction codes. The Program provides funding to NGOs that aim to increase housing opportunities for vulnerable individuals while also improving existing housing conditions to meet decent, safe, resilient, and sanitary standards in disaster-impacted areas.

The National Objective of this Program is to benefit Low- and Moderate-Income (**LMI**) persons (below eighty percent (80%) Area Median Family Income (AMFI) according to the HUD Modified Income Limits for CDBG-DR Puerto Rico) through the Limited Clientele (**LC**) LMI sub-category.

2. TERMS:

- **Key Component** – The primary objective the Program wants to achieve.
- **Key Activity** – Tasks or activities necessary to carry out the Program's activities and objectives.
- **Indicator** – The quantitative method used to demonstrate that the Key Activities are in progress or completed.
- **Source of Verification**—The documentation used to verify that the indicators have been met and that the activities are in progress or completed. All sources of verification should be submitted to PRDOH.
- **Target** – The goal is to demonstrate that the Key Activity has been performed.
- **Work Plan Schedule** – Refers to a document with project schedule where the activities and timeframes of performance are established in detail. The document serves as an expansion of the Timelines and Performance Goals set forth in general terms under this Exhibit.
- **Project(s)** – Refers to the construction or rehabilitation of a housing solution as proposed by the NGO in the Notice of Funds Availability (**NOFA**) response.

3. TIMELINES & PERFORMANCE GOALS

KEY COMPONENT	KEY ACTIVITY	INDICATORS	SOURCE OF VERIFICATION	TARGET	TIMELINE
1. Project Planning	1.1 Develop a Work Plan Schedule	(#) of work plan schedule approved by PRDOH	Document with one (1) schedule detailing project's activities and sub activities with their timeframe for completion	One (1) work plan schedule approved by PRDOH	Within **twenty (20) days** of the Subrecipient Amendment execution.
	1.2 Conduct procurement packages	(%) of procurement packages	Documents that evidence the procurements process conducted such as: o SOW o Public Notice o Cost Estimates o Contract Executed o Communications o Among others	100% procurement packages completed	As per the Work Plan Schedule
	1.3 Acquisition, Evaluation and Management of Property for Project Development	(#) of properties under evaluation, (#) of properties in negotiations, (#) of properties acquired	Document providing evidence of the following: o Inspection documents, feasibility studies, project site studies, meetings, and reports, among others o Communication showing the property interest, negotiation process, evaluation, and	One (1) viable property per project for Project Development approved by PRDOH	As per the Work Plan Schedule

KEY COMPONENT	KEY ACTIVITY	INDICATORS	SOURCE OF VERIFICATION	TARGET	TIMELINE
			agreement, among others, as applicable. o Legal documents confirming the acquisition of property (if applicable)		
	1.4 Project Design Development	(%) of project design development approved by PRDOH	Document providing evidence of the following: o Inspection documents, feasibility studies, project site studies, meetings, and reports, among others 30% of project design development submitted for PRDOH review and approval 60% of project design development submitted for PRDOH review and approval 90% of project design development submitted for PRDOH review and approval 100% of project design development submitted for PRDOH approval	30% of project design development approved by PRDOH 60% of project design development approved by PRDOH 90% of project design development approved by PRDOH 100% of project design approved by PRDOH	As per the Work Plan Schedule

KEY COMPONENT	KEY ACTIVITY	INDICATORS	SOURCE OF VERIFICATION	TARGET	TIMELINE
	1.5 Conduct Project Permits, Endorsement and/or Certification Package; as applicable	(#) of Permits and endorsements package approved by local and federal agencies	Documents and communications that demonstrate the efforts to obtain all project permits and endorsements (as applicable), such as: o Project explanatory memoranda o Request for Permits and endorsements o Approved permits and endorsements o Official meetings and communications with local or federal agencies o Evidence of payments o Among other	One (1) Project permits, endorsement and/or certifications approved	As per the Work Plan Schedule

KEY COMPONENT	KEY ACTIVITY	INDICATORS	SOURCE OF VERIFICATION	TARGET	TIMELINE
2. Construction	2.1 Project Construction and Inspection Phase	(#) of projects that completed construction	Documents and evidence of construction activities and their Inspection (if applicable), such as the following: o Notice to Proceed o Construction meeting reports o Construction inspections and/or supervision reports o Commissioning report o Photos of construction o As-built drawing o Certificate of Occupancy — ("Permiso de uso") request; as applicable o Substantial Completion o Certificate of Occupancy — ("Permiso de uso") approved by local agency; as applicable o Project owner acceptance letter o Certifications such as green building standards, utilities, among other	One (1) Project(s) Construction Completion	As per the Work Plan Schedule

KEY COMPONENT	KEY ACTIVITY	INDICATORS	SOURCE OF VERIFICATION	TARGET	TIMELINE
3. Closeout	3.1 Project Closeout	(#) of Project Closeout approved by PRDOH	Document requesting Project Closeout to PRDOH Project Closeout Approved by PRDOH	One (1) Project Closeout Approved by PRDOH	As per the Work Plan Schedule
	3.2 Conduct SRA Closeout	(#) of SRA Closeout Request approved by PRDOH	Document requesting SRA Closeout to PRDOH SRA Closeout request approved by PRDOH	One (1) SRA Closeout Completed	As per the Work Plan Schedule

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KEY ACTIVITY 1.1: DEVELOP A WORK PLAN SCHEDULE

The objective of this key activity is that the Subrecipient presents a schedule that includes key activities distributed across a defined timeline for compliance and project delivery. The document is to be presented by the Subrecipient and sent to the PRDOH for review and approval. An approved Work Plan Schedule is binding upon the parties for monitoring, measurement, and oversight of the SRA Key Activities' progress.

KEY ACTIVITY 1.2: CONDUCT PROCUREMENT PACKAGES

The objective of this key activity is that the Subrecipient conducts all the necessary procurement of services for project development, establishing all requirements needed to perform the project/construction management services, construction inspection services, and the design and construction components required to complete the Project. These documents and the procurement processes to be performed shall comply with all applicable local and federal laws and regulations, including the provisions in 2 C.F.R. §§ 200.318-200.327.

KEY ACTIVITY 1.3: ACQUISITION, EVALUATION AND MANAGEMENT OF PROPERTY FOR PROJECT DEVELOPMENT

The objective of this key activity is to ensure that the Subrecipient effectively manages the acquisition, evaluation, and negotiation processes for properties necessary for project development under the NOFA for the SIH Program. This involves conducting thorough evaluations and inspections to assess the feasibility of properties, engaging in negotiations (if applicable), and managing the acquisition process to secure properties that meet project requirements. The activity also includes documenting all relevant procedures, communications, meetings, and legal confirmations to ensure compliance with project goals and regulatory standards. Acquisition activities must be carried out in accordance with Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (more commonly known as URA) and section 104(d) of the Housing and Community Development Act of 1992, as amended (**Section 104(d)**).

KEY ACTIVITY 1.4: PROJECT DESIGN DEVELOPMENT

This activity aims to develop the project design, ensuring it meets the requirements of the NOFA response for the SIH Program. This involves utilizing services contracted by the Subrecipients or a Design Firm provided by PRDOH. The design process will follow an iterative review process, where the project design will be submitted to PRDOH for evaluation and approval at key stages: 30%, 60%, 90%, and 100% completion. The iterative process ensures that feedback is incorporated at each stage, facilitating alignment with program goals and objectives, compliance with regulations, and

adherence to design standards. The activity concludes with the final approval of the project design by PRDOH.

KEY ACTIVITY 1.5: CONDUCT PROJECT PERMITS, ENDORSEMENT AND/OR CERTIFICATION; AS APPLICABLE

This activity aims to ensure that the Subrecipient undertakes all necessary actions to secure the required permits, endorsements, and certifications for the proposed project under the SIH Program. This includes preparing and submitting relevant documentation, such as project explanatory memoranda and requests for permits, engaging with local and federal agencies through official meetings and communications, and providing evidence of any payments made regarding obtaining permit approvals and securing approved permits and endorsements.

KEY ACTIVITY 2.1: PROJECT CONSTRUCTION AND INSPECTION PHASE

The objective of this activity is to manage and document the construction and inspection phases of the project, ensuring adherence to approved designs, permits, and local and federal regulations. To start the construction phase, the Subrecipient must issue a Notice to Proceed before conducting any construction activity. Relevant certifications to be obtained, as applicable, include green building standards, utilities, among others. This activity concludes with the issuing of the Certificate of Occupancy or project owner acceptance letter to verify successful completion.

KEY ACTIVITY 3.1: PROJECT CLOSEOUT

This activity aims to ensure that all project closeout procedures are completed. The Subrecipient is responsible for submitting all required documentation for PRDOH's review, demonstrating that the project has fulfilled its objectives and complied with all regulations and requirements. The activity is completed when PRDOH approves the closeout, confirming that all requirements have been met.

KEY ACTIVITY 3.2: CONDUCT SRA CLOSEOUT

This activity aims to complete the SRA closeout process by ensuring that PRDOH reviews all necessary documentation. The Subrecipient is responsible for preparing and submitting the SRA Closeout request to PRDOH, including all required documents. The activity concludes when PRDOH reviews and approves the SRA Closeout, confirming that all obligations under the agreement have been met.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT III

EXHIBIT C
KEY PERSONNEL
SOCIAL INTEREST HOUSING PROGRAM
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

Below is the Staffing Plan for the **CDBG-DR SOCIAL INTEREST HOUSING (SIH) PROGRAM**, which reflects a combination existing employees or new hired employees dedicated for the **CDBG-DR SIH Program**.

I. Roles Description:

Role	Description
Executive Director	Subrecipient's key member is responsible of the organization actions for the delivery of the CDBG-DR approved project. Shall act as the main Point of Contact for PRDOH or designees, unless otherwise stated. Position is expected to provide strategic planning, work with the board of directors, and steering the organization and managing its operation within budget. Should have the ability on building an effective team of leaders, manage, provide guidance and coaching to other key personnel. Must ensure adherence of the organizations' daily activities and long-term plans to established policies and legal guidelines. Shall review reports by subordinate managers to acquire understanding of the organization's financial and non-financial positions. Shall be willing to learn knowledge of regulatory and statutory compliance requirements for CDBG-DR like mandatory training and participating in the capacity building sessions, so that the subrecipient can fully comply with federal requirements and PRDOH. Must address other responsibilities that may arise during project implementation, for example, all procurement packages, etc.
Chief Financial Officer	Subrecipient's key member oversees all financial aspects of the NGO, which includes but not limited to, task(s) like annual budget approval, financial health evaluations, staff payroll and ensure the organization follows financial rules. Must possess or develop knowledge of regulatory and statutory compliance requirements for CDBG-DR, SIH Program and PRDOH. These compliance requirements are mandatory training and building sessions such as modules to develop internal controls and implementation and monitoring procedure to ensure the effectiveness of internal protocols. Additional modules introduce the roles and responsibilities of subrecipients, applicable systems to manage CDBG-DR Program data, management and reporting of citizen complaints, and Protection of Personally Identifiable Information. Other responsibilities are the development of the projects budget cost, oversee all invoices and must be willing to

	learn the PRDOH Financial Management System to upload all required documentation to achieve CDBG-DR funds disbursements.
Human Resources and Administrative Specialist	In charge of verify and audit CDBG-DR Program employees time sheets. Officer in charge of the Digital Time Clock System for employees. Supervise time sheet submission on time and in compliance. Prepare fringe benefit processes for CDBG-DR Program employees. In charge of monitoring the CDBG-DR Program Procurement process and of micro-purchases related CDGB-DR Program.
Program and Quality Control Coordinator	Prepare administrative monthly reports to CDBG-DR Program. In charge of gather data and information for CDBG-DR Program Performance Report. Receive and audit work hours from CDBG-DR Program employees. Receive, manage, and audit time sheets and other compliance documents from the CDBG-DR Program to prepare invoices and reimbursement processes. Monitoring and submit invoices and reimbursement processes from CDBG-DR Program. Submit invoices though Vendors Café System. Verify CDBG-DR reports from different departments. Participate in weekly and monthly reports conference calls and meetings with Social Interest Housing Program, HORNE and other entities related with the program. Maintains constant communication with HORNE and the managers to keep the Program in compliance.
Finance and Accounting Specialist	Monitor and verify that the travel expenses procedure from the CDBG-DR Program has been followed as compliance request. Check utilities and other CDBG-DR Program related bills, submitting as a tenant account, those bills to the system. Prepare banks reconciliations from the CDBG-DR Program, which the Chief Finance Officer approves. Prepare SURI tax forms, submissions of quarterly tax forms to State Agencies related CDBG-DR funds.
Project Coordinator	Key member acts as the primary point of contact between project implementation teams, management, the project management team, Grant Manager, and other stakeholders. Continuously monitors project progress, identifies risks, and ensures timely resolutions while keeping stakeholders informed on project status, risks, and key decisions. Coordinates alignment of project requirements with organizational goals and objectives, ensuring adherence to project targets, regulatory compliance, and quality standards. Coordinates project plans, schedules, and milestones with implementation teams to meet deadlines, scope, and budget constraints. Organizes meetings with project implementation teams, contractors, and government and non-government stakeholders and facilitates public presentations. Maintains effective communication with contractors, collaborators, municipalities, and other project stakeholders to ensure accurate interpretation and execution of the projects. Manages and ensures record keeping of all project documents and records, including communications, plans, permits, certifications, and

	other related documents. Tracks project progress is maintained, reports issues or delays, and ensures these are addressed promptly. Supports the projects under SIH Program's objectives through all project stages, including planning, design, construction, and closure, and requires a comprehensive understanding of relevant laws, codes, regulations, and SIH Program Guidelines. This position also coordinates project monitoring and audits to ensure timely responses and compliance, along with other responsibilities associated with the SIH and CDBG-DR Programs.
Finance support and compliance Officer	In charge of collecting the data and information related to invoices. Prepare invoices and reimbursement processes. Support the reconciliation of bank accounts. Write the monthly reports of the Interest Social Program. Prepare the CDBG-DR Program Procurement process. Other duties related to the predevelopment and implementation of the Interest Social Program.

II. Notes:

1. Positions Title names, in Section one (I), are generic names assumed to designate the minimum roles to the Subrecipient's staff, therefore these positions may not necessarily coincide to current positions within Subrecipient's roster of employees and must be procured in order to achieve project completion.
2. Subrecipient will request authorization before any staff performs any work for the CDBG-DR Program, the request shall be completed submitting a standard form provided by PRDOH. Failure to obtain staff authorization form PRDOH, will result in payroll payment deduction for each unauthorized staff.
3. Subrecipient may use one (1) or more of its employees for each of the approved staff positions, therefore the maximum budget shall consider the summary of payroll cost for employees authorized for the position, which in summary is a full-time equivalent expectation.
4. Subrecipient may recruit new employees to fill-in staff positions included in Section one (I) that are not occupied at the start date of this Agreement.
5. Subrecipient shall require to each staff position daily time entry reports with a description of work performed during the report period.
6. Personnel Breakdown, shown in section two (2) in columns of Exhibit D – (Budget); Unit Price and Max. Monthly Cost, represent the total budget authorized for the Subrecipient's personnel working as a staff position for the CDBG-DR Program.
7. After this Agreement is executed, the Subrecipient may request in writing an amendment to modify the distribution of budgeted amounts for any of the positions.
8. The total authorized available budget for all Subrecipient's staff positions will be established in the **Exhibit D – (Budget)** of this agreement. The specific amount will be indicated in item described as "Subrecipient Self-Performed Services".
9. The Staff Position Maximum Budget shall be considered as the total authorized budget for the term of the agreement for the Subrecipient's staff position.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT IV

EXHIBIT D - BUDGET
SOCIAL INTEREST HOUSING PROGRAM
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

1. **Total Allocation and Authorized Budget**
   a) The Puerto Rico Department of Housing (**PRDOH**) designated to the Ponce Neighborhood Housing Services, Inc. (the "**Subrecipient**") a total allocation amount of **five million dollars and cero cents ($5,000,000.00)** for the Social Interest Housing (**SIH**) Program.

2. **Distribution of Subrecipient Self-Performed Services**
   a) The maximum authorized budget for all Subrecipient's staff positions established in **Exhibit C – (Key Personnel)** and the specific amount will be distributed according to the following personnel breakdown:

Position Titles	Unit Price	Estimated Monthly Cost*
Executive Director	$72.79	$4,367.40
Chief Financial Officer	$59.67	$3,580.20
Human Resources and Administrative Specialist	$22.61	$1,356.60
Program and Quality Control Coordinator	$43.06	$2,583.60
Finance and Accounting Specialist	$22.61	$1,356.60
Project Coordinator	$23.68	$4,025.60
Finance support and compliance Officer	$21.53	$3,660.10
Total Max. Monthly Cost		**$20,930.10**

**Estimated hours. Actual hours subject to change based on Program volume not to exceed 173 hrs. per position per month nor the Total Max. Monthly Cost.*

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3. Distribution of Authorized Maximum Budget

a) The maximum budget amount shall be distributed in the following eight (8) items:

Project A: Municipality of Coamo		
Item Id	**Item Name:**	**Maximum Authorized Budget**
1	Subrecipient Self-Performed Services	$372,737.10
2	Professional Services (Contracted)	$237,000.00
3	Construction Services (Contracted)	$1,805,746.67
4	Land Acquisition	$84,516.23
	Total Authorized Budget:	**$2,500,000.00**

Project B: Municipality of Guayama		
Item Id	**Item Name:**	**Maximum Authorized Budget**
1	Subrecipient Self-Performed Services	$372,737.10
2	Professional Services (Contracted)	$238,200.00
3	Construction Services (Contracted)	$1,805,718.00
4	Land Acquisition	$83,344.90
	Total Authorized Budget:	**$2,500,000.00**

4. Budget Re- Distribution

a) The Subrecipient may request in writing to the PRDOH a re-distribution of the Maximum Authorized Budgets shown below without exceeding the Total Authorized Budget in the award notice.

b) The PRDOH will evaluate the re-distribution request to validate purpose and balance of funds, and if determined the re-distribution is in benefit for the Program and the balance of funds is validated, the PRDOH will provide written authorization to the Subrecipient. Until the written authorization is submitted by the PRDOH, the redistribution cannot be considered as authorized.

c) This re-distribution of funds as described here shall be considered binding and will not require an amendment to this SRA.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT V
EXHIBIT E-1

Contract Code: 431-a
Type: Change Order A_V2
Original Registered Code:

CERTIFICATION OF FUNDS

Requested on behalf: CDBG-DR Director

The Finance Division certifies the availability of the following funds:

Contracting Of:	PONCE NEIGHBORHOOD HOUSING SERVICES INC
Source of Funds:	**14.228 CDBG** Funds
For:	Amendment A- 2021-DR0199 for Social Interest Housing Program
Amount:	$2,500,000.00

The breakdown and grant of the certified funds is as follows:

Grant	Area / Project	Activity Code	Category Description	Account	Amount
B-18-DP-72-0001	Housing	r02h11sih-doh-lm	H - Program Subsidy	6090-01-000	$2,500,000.00
					$2,500,000.00

The above distribution of funds is subject to changes and will be allocated in accordance with the executed agreement within the parties

If you have any questions, feel free to contact us at (787)274-2527.

Cesar Candelario Signed Date - 10/21/2021
Electronic Approval
Budget Manager

MARIA MARIN Signed Date - 10/26/2021
Electronic Approval
Finance Director

EXHIBIT F

HUD GENERAL PROVISIONS AND OTHER FEDERAL STATUTES, REGULATIONS, AND PRDOH REQUIREMENTS

SOCIAL INTEREST HOUSING PROGRAM

PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

Given that the Subrecipient Agreement (SRA) involves funds for which the U.S. Department of Housing and Urban Development (HUD) is the oversight agency, the following terms and conditions may apply to this SRA. In addition, SUBRECIPIENT shall comply with the Federal Labor Standards Provisions set forth in Form HUD-4010, available at https://www.hudexchange.info/resource/2490/hud-form-4010-federallaborstandards-provisions/.

These terms and conditions must be included in their entirety by the SUBCONTRACTOR in all purchase orders or subcontracts that are directly related to the SRA, even though some of the terms and conditions might not apply to a particular kind of purchase order or subcontract.

These general provisions may be updated from time to time. It is the sole responsibility of the SUBRECIPIENT to be aware of any changes hereto, to amend and implement such changes, and to ensure subcontracts terms and conditions are modified as necessary, if any.

General Provisions:

1. PROVISIONS REQUIRED BY LAW DEEMED INSERTED

Each and every provision of law and clause required by law to be inserted in this SRA shall be deemed to be inserted herein and the SRA shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, the SRA shall forthwith be physically amended to make such insertion or correction.

2. STATUTORY AND REGULATORY COMPLIANCE

SUBRECIPIENT shall comply with all laws and regulations applicable to the Community Development Block Grant-Disaster Recovery funds appropriated by the Supplemental Appropriations for Disaster Relief Requirements, 2017 (Pub. L. 115-56), approved September 8, 2017 (Appropriations Act), as amended, including but not limited to the applicable Office of Management and Budget Circulars, which may impact the administration of funds and/or set forth certain cost principles, including if certain expenses are allowed.

3. BREACH OF SUBRECIPIENT AGREEMENT TERMS

The Puerto Rico Department of Housing (**PRDOH**) reserves its right to all administrative, contractual, or legal remedies, including but not limited to suspension or termination of this SRA, in instances where the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term. If the SUBRECIPIENT or any of its subcontractors violate or breach any SRA term, they shall be subject to such sanctions and penalties as may be appropriate. The duties and obligations imposed by the SRA documents, and the rights and remedies available thereunder, shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

4. REPORTING REQUIREMENTS

The SUBRECIPIENT shall complete and submit all reports, in such form and according to such schedule, as may be required by the PRDOH and/or the Government of Puerto Rico. The SUBRECIPIENT shall cooperate with all the PRDOH and/or the Government of Puerto Rico efforts to comply with HUD requirements and regulations pertaining to reporting, including but not limited to 2 C.F.R. § 200.328 and 24 C.F.R. § 570.507, when applicable.

5. SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS

The SUBRECIPIENT will take necessary affirmative steps to assure that minority firms, women's business enterprises, and labor surplus area firms are used in subcontracting when possible. Steps include, but are not limited to:

(i) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(ii) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(iii) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority business, and women's business enterprises;

(iv) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority business, and women's business enterprises; and

(v) Using the services and assistance of the Small Business Administration, and the Minority Business Development Agency of the Department of Commerce.

Additionally, for contracts of $10,000 or more, the SUBRECIPIENT shall file Form HUD 2516 (Contract and Subcontract Activity) with the PRDOH on a quarterly basis.

6. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 C.F.R. Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts and Cooperative Agreements", and any implementing regulations issued by HUD.

7. DEBARMENT, SUSPENSION, AND INELIGIBILITY

The SUBRECIPIENT represents and warrants that it and its subcontractors are not debarred or suspended or otherwise excluded from or ineligible for participation in Federal assistance programs subject to 2 C.F.R. Part 2424.

8. CONFLICTS OF INTEREST

The SUBRECIPIENT shall notify the PRDOH as soon as possible if this SRA or any aspect related to the anticipated work under this SRA raises an actual or potential conflict of interest, if applicable. The SUBRECIPIENT shall explain the actual or potential conflict in writing in sufficient detail so that the PRDOH is able to assess such actual or potential conflict. The SUBRECIPIENT shall provide the PRDOH any additional information necessary to fully assess and address such actual or potential conflict of interest. The SUBRECIPIENT shall accept any reasonable conflict mitigation strategy employed by the PRDOH, including but not limited to the use of an independent subcontractor(s) to perform the portion of work that gives rise to the actual or potential conflict.

9. SUBCONTRACTING

When subcontracting, the SUBRECIPIENT shall solicit for and contract with such subcontractors in a manner providing for fair competition. Some of the situations considered to be restrictive of competition include, but are not limited to:

(i) Placing unreasonable requirements on firms in order for them to qualify to do business;

(ii) Requiring unnecessary experience and excessive bonding;

(iii) Noncompetitive pricing practices between firms or between affiliated Companies;

(iv) Noncompetitive awards to consultants that are on retainer contracts,

(v) Organizational conflicts of interest;

(vi) Specifying only a brand name product instead of allowing an equal product to be offered and describing the performance of other relevant requirements of the procurement; and

(vii) Any arbitrary action in the procurement process.

The SUBRECIPIENT represents to the PRDOH that all work shall be performed by personnel experienced in the appropriate and applicable profession and areas of expertise, taking into account the nature of the work to be performed under this SRA.

The SUBRECIPIENT will include these HUD General Provisions in every subcontract issued by it, so that such provisions will be binding upon each of its subcontractors as well as the requirement to flow down such terms to all lower-tiered subcontractors.

10. ASSIGNABILITY

The SUBRECIPIENT shall not assign any interest in this Agreement and shall not transfer any interest in the same (whether by assignment or novation) without prior written approval of the PRDOH.

11. COPELAND "ANTI-KICKBACK" ACT
(Applicable to all construction or repair contracts)

Salaries of personnel performing work under this SRA shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the Copeland "Anti-Kickback Act" of 1934, 48 Stat. 948; (codified at 18 U.S.C. § 874; and 40 U.S.C. § 3145). The SUBRECIPIENT shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this Agreement to ensure compliance by subcontractors with such regulations, and shall be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof.

12. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT
(Applicable to construction contracts exceeding $2,000 and contracts exceeding $2,500 that involve the employment of mechanics or laborers.)

The SUBRECIPIENT shall comply with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 3701-3708) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors shall receive overtime compensation in accordance with and subject to the provisions of the CWHSSA, and the SUBRECIPIENTS and subcontractors shall comply with all

regulations issued pursuant to that act and with other applicable Federal laws and regulations pertaining to labor standards.

13. DAVIS-BACON ACT
(Applicable to construction contracts exceeding $2,000 when required by Federal program legislation.)

The SUBRECIPIENT shall comply with the Davis Bacon Act (40 U.S.C. § 3141 *et seq.*) as supplemented by Department of Labor regulations (29 C.F.R. Part 5).

All laborers and mechanics employed by SUBRECIPIENTS or subcontractors, including employees of other governments, on construction work assisted under this SRA, and subject to the provisions of the federal acts and regulations listed in this paragraph, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act.

On a semi-annual basis, the SUBRECIPIENT shall submit Form HUD 4710 (Semi-Annual labor Standards Enforcement Report) to PRDOH.

14. TERMINATION FOR CAUSE
(Applicable to contracts exceeding $10,000)

If, through any cause, the SUBRECIPIENT shall fail to fulfill in a timely and proper manner his or her obligations under this SRA, or if the SUBRECIPIENT shall violate any of the covenants, agreements, or stipulations of this SRA, the PRDOH shall thereupon have the right to terminate this SRA by giving written notice to the SUBRECIPIENT of such termination and specifying the effective date thereof, **at least five (5) days** before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the SUBRECIPIENT under this Agreement shall, at the option of the PRDOH, become the PRDOH's property and the SUBRECIPIENT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder. Notwithstanding the above, the SUBRECIPIENT shall not be relieved of liability to the Government of Puerto Rico and PRDOH for damages sustained by the Government of Puerto Rico and/or PRDOH by virtue of any breach of the Agreement by the SUBRECIPIENT, and the Government of Puerto Rico and/or PRDOH may withhold any payments to the SUBRECIPIENT for the purpose of set-off until such time as the exact amount of damages due to the Government of Puerto Rico and/or PRDOH from the SUBRECIPIENT is determined.

15. TERMINATION FOR CONVENIENCE
(Applicable to contracts exceeding $10,000)

The PRDOH may terminate this SRA at any time by giving at least a **ten (10) days'** notice in writing to the SUBRECIPIENT. If the SRA is terminated by the PRDOH as provided herein, the SUBRECIPIENT will be paid for the time provided and expenses incurred up to the termination date.

16. SECTION 503 OF THE REHABILITATION ACT OF 1973
(Applicable to contracts exceeding $10,000)

The SUBRECIPIENT shall comply with Section 503 of the Rehabilitation Act of 1973 (29 U.S.C. § 793), as amended, and any applicable regulations.

Equal Opportunity for Workers with Disabilities:

1) The SUBRECIPIENT will not discriminate against any employee or applicant for employment because of physical or mental disability in regard to any position for which the employee or applicant for employment is qualified. The SUBRECIPIENT agrees to take affirmative action to employ, advance in employment and

otherwise treat qualified individuals with disabilities without discrimination based on their physical or mental disability in all employment practices, including the following:

(i) Recruitment, advertising, and job application procedures;

(ii) Hiring, upgrading, promotion, award of tenure, demotion, transfer, layoff, termination, right of return from layoff and rehiring;

(iii) Rates of pay or any other form of compensation and changes in compensation;

(iv) Job assignments, job classifications, organizational structures, position descriptions, lines of progression, and seniority lists;

(v) Leaves of absence, sick leave, or any other leave;

(vi) Fringe benefits available by virtue of employment, whether or not administered by the SUBRECIPIENT;

(vii) Selection and financial support for training, including apprenticeship, professional meetings, conferences, and other related activities, and selection for leaves of absence to pursue training;

(viii) Activities sponsored by the SUBRECIPIENT including social or recreational programs; and

(ix) Any other term, condition, or privilege of employment.

2) The SUBRECIPIENT agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

3) In the event of the SUBRECIPIENT's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

4) The SUBRECIPIENT agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the Deputy Assistant Secretary for Federal Contract Compliance Programs, provided by or through the contracting officer. Such notices shall state the rights of applicants and employees as well as the SUBRECIPIENT's obligation under the law to take affirmative action to employ and advance in employment qualified employees and applicants with disabilities. The SUBRECIPIENT must ensure that applicants and employees with disabilities are informed of the contents of the notice (e.g., the SUBRECIPIENT may have the notice read to a visually disabled individual, or may lower the posted notice so that it might be read by a person in a wheelchair).

5) The SUBRECIPIENT will notify each labor organization or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the SUBRECIPIENT is bound by the terms of Section 503 of the Rehabilitation Act of 1973, as amended, and is committed to take affirmative action to employ and advance in employment individuals with physical or mental disabilities.

6) The SUBRECIPIENT will include the provisions of this clause in every subcontract or purchase order in excess of $10,000, unless exempted by the rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Rehabilitation Act of 1973, as amended,, as amended, so that such provisions will be binding upon each subcontractor or vendor. The SUBRECIPIENT will take such action with respect to

any subcontract or purchase order as the Deputy Assistant Secretary for Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

17. EQUAL EMPLOYMENT OPPORTUNITY
(Applicable to construction contracts and subcontracts exceeding $10,000)

The SUBRECIPIENT shall comply with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 C.F.R. Subpt. B, Ch. 60).

During the performance of this Agreement, the SUBRECIPIENT agrees as follows:

1) The SUBRECIPIENT shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The SUBRECIPIENT shall take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

2) The SUBRECIPIENT shall post in conspicuous places, available to employees and applicants for employment, notices to be provided by Contracting Officer setting forth the provisions of this non-discrimination clause. The SUBRECIPIENT shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3) The SUBRECIPIENT will, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

4) The SUBRECIPIENT will send to each labor union or representative of workers with which he or she has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers representative of the SUBRECIPIENT's commitments under Section 202 of Executive Order 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) The SUBRECIPIENT will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations and relevant orders of the Secretary of Labor.

6) The SUBRECIPIENT will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by the rules, regulations and orders of the Secretary of Labor, or pursuant thereto, and will permit access to books, records and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

7) In the event of the SUBRECIPIENT's non-compliance with the non-discrimination clause of this Agreement or with any of such rules, regulations or orders, this Agreement may be cancelled, terminated or suspended in whole or in part and the SUBRECIPIENT may be declared ineligible for further government contracts in accordance with procedures authorized in Executive Order 11246 and such other sanctions as may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by law.

8) SUBRECIPIENT shall incorporate the provisions of 1 through 7 above in every subcontract or purchase order unless exempted by rules, regulations or orders of the Secretary of Labor so that such provisions shall be binding on such subcontractor. The SUBRECIPIENT will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions including sanctions for non-compliance, provided, however, that in the event the SUBRECIPIENT becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the contracting agency, the SUBRECIPIENT may request the United States to enter into such litigation to protect the interests of the United States.

18. CERTIFICATION OF NONSEGREGATED FACILITIES
(Applicable to construction contracts exceeding $10,000)

The SUBRECIPIENT certifies that it does not maintain or provide for its establishments, and that it does not permit employees to perform their services at any location, under its control, where segregated facilities are maintained. It certifies further that it will not maintain or provide for employees any segregated facilities at any of its establishments, and it will not permit employees to perform their services at any location under its control where segregated facilities are maintained. The SUBRECIPIENT agrees that a breach of this certification is a violation of the equal opportunity clause of this Agreement.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation and housing facilities provided for employees which are segregated by explicit directive or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason.

The SUBRECIPIENT further agrees that (except where it has obtained for specific time periods) it will obtain identical certification from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the equal opportunity clause; that it will retain such certifications in its files; and that it will forward the preceding notice to such proposed subcontractors (except where proposed subcontractors have submitted identical certifications for specific time periods).

19. CERTIFICATION OF COMPLIANCE WITH CLEAN AIR AND WATER ACTS
(Applicable to contracts exceeding $100,000)

The SUBRECIPIENT and all subcontractors shall comply with the requirements of the Clean Air Act, as amended, 42 U.S.C. § 7401 *et seq.*, the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, and the regulations of the Environmental Protection Agency with respect thereto, at 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B and Ch. I, Subch. C, Pt. 93, Subpt. B, as amended, Section 508 of the

Federal Water Pollution Control Act (33 U.S.C. § 1368) and Executive Order 11738 of September 10, 1973.
In addition to the foregoing requirements, all nonexempt contractors and subcontractors shall furnish to the owner, the following:

1) A stipulation by the SUBRECIPIENT or subcontractors, that any facility to be utilized in the performance of any nonexempt contract or subcontract, is not listed on the Excluded Party Listing System pursuant to Ch. I, Subch. C, Pt. 93, Subpt. B or on the List of Violating Facilities issued by the Environmental Protection Agency (**EPA**) pursuant to 40 C.F.R. Ch. I, Subch. C, Pt. 60, Subpt. B, as amended.

2) Agreement by the SUBRECIPIENT to comply with all the requirements of Section 114 of the Clean Air Act, as amended, (42 U.S.C. § 7414) and Section 308 of the Federal Water Pollution Control Act, as amended, (33 U.S.C. § 1318) relating to inspection, monitoring, entry, reports and information, as well as all other requirements specified in said Section 114 and Section 308, and all regulations and guidelines issued thereunder.

3) A stipulation that as a condition for the award of the Agreement, prompt notice will be given of any notification received from the Director, Office of Federal Activities, EPA, indicating that a facility utilized, or to be utilized for the Agreement, is under consideration to be listed on the Excluded Party Listing System or the EPA List of Violating Facilities.

4) Agreement by the SUBRECIPIENT that he or she will include, or cause to be included, the criteria and requirements in paragraph (1) through (4) of this section in every nonexempt subcontract and requiring that the SUBRECIPIENT will take such action as the government may direct as a means of enforcing such provisions.

20. ANTI-LOBBYING
(Applicable to contracts exceeding $100,000)

By the execution of this SRA, the SUBRECIPIENT certifies, to the best of his or her knowledge and belief, that:

1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the SUBRECIPIENT, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the SUBRECIPIENT shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.

3) The SUBRECIPIENT shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts,

subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

21. BONDING REQUIREMENTS
(Applicable to construction and facility improvement contracts exceeding $100,000)

The SUBRECIPIENT shall comply with 2 C.F.R. § 200.326 minimum bonding requirements:

1) A bid guarantee from each bidder equivalent to five percent (5%) of the bid price. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his or her bid, execute such contractual documents as may be required within the time specified.

2) A performance bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "performance bond" is one executed in connection with a contract to secure fulfillment of all the SUBRECIPIENT's obligations under such contract.

3) A payment bond on the part of the SUBRECIPIENT for one hundred percent (100%) of the Agreement price. A "payment bond" is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

22. SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968

A. The work to be performed under this Agreement is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this Agreement agree to comply with HUD's regulations in 24 C.F.R. Part 75, which implement Section 3. As evidenced by their execution of this Agreement, the parties to this Agreement certify that they are under no contractual or other impediment that would prevent them from complying with the in 24 C.F.R. Part 75 regulations.

C. The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which the SUBRECIPIENT has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the SUBRECIPIENT's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training

positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The SUBRECIPIENT agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. Part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. Part 75. The SUBRECIPIENT will not subcontract with any subcontractor where the SUBRECIPIENT has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. Part 75.

E. The SUBRECIPIENT acknowledges that subrecipients, contractors, and subcontractors are required to meet the employment, training, and contracting requirements of 24 C.F.R. 75.19, regardless of whether Section 3 language is included in recipient or subrecipient agreements, program regulatory agreements, or contracts signed after this SRA.

F. The SUBRECIPIENT will certify that any vacant employment positions, including training positions, that are filled: (1) after the SUBRECIPIENT is selected but before the Agreement is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. Part 75 require employment opportunities to be directed, were not filled to circumvent the SUBRECIPIENT's obligations under 24 C.F.R. Part 75.

G. Noncompliance with HUD's regulations in 24 C.F.R. Part 75 may result in sanctions, termination of this Agreement for default, and debarment or suspension from future HUD assisted contracts.

H. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (46 U.S.C. § 5307) also applies to the work to be performed under this Agreement. Section 7(b) requires that to the greatest extent feasible: (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Agreement that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

I. The SUBRECIPIENT agrees to submit, and shall require its subcontractors to submit to them, quarterly reports to the PRDOH detailing the total number of labor hours worked on the Section 3 Project, the total number of labor hours worked by Section 3 Workers, and the total number of hours worked by Targeted Section 3 Workers, and any affirmative efforts made during the quarter to direct hiring efforts to low- and very low-income persons, particularly persons who are Section 3 Workers and Targeted Section 3 Workers.

23. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION POLICIES ACT (URA)

Every project funded in part or in full by Community Development Block Grant – Disaster Recovery (CDBG-DR/MIT) funds, and all activities related to that project, are subject to the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), as amended, 42 U.S.C. § 4601 *et seq.*, and

section 104(d) of the Housing and Community Development Act of 1992, as amended (HCDA), 42 U.S.C. § 5304(d), except where waivers or alternative requirements have been provided by the U.S. Department of Housing and Urban Development (HUD). The implementing regulations for URA are at 49 C.F.R. Part 24, and the regulations for section 104(d) are at 24 C.F.R. Part 42, subpart C. Additionally, HUD has established regulations specific to CDBG-funded housing activities at 24 C.F.R. § 570.606. PRDOH has also established the Uniform Relocation Assistance Guide & Residential AntiDisplacement and Relocation Assistance Plan (URA & ADP Guide) which provides guidance and requirements regarding URA compliance and minimizing displacement that are applicable to all CDBG-DR/MIT programs. The primary purpose of these laws and regulations is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects.

When CDBG-DR/MIT funds are planned, intended, or used for any activity or phase of a project and the phases are interdependent, URA applies to that activity or project. This includes any property acquisition, even if CDBG-DR/MIT funds are not used to fund the purchase, if the contract to acquire property is executed with the intention of seeking CDBG-DR/MIT funds to complete the project or an interdependent phase of the project. Subrecipients are responsible for ensuring URA compliance throughout the design, proposal, and implementation of any project that includes real property acquisition or displacement of residential or business occupants.

24. FAIR HOUSING ACT

SUBRECIPIENT shall comply with the provisions of the Fair Housing Act of 1968, as amended. The Act prohibits discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, disability, or familial status. The Equal Opportunity in Housing Act prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with Federal funds.

25. ENERGY POLICY AND CONSERVATION ACT

SUBRECIPIENT shall comply with mandatory standards and policies relating to energy efficiency as contained in the Government of Puerto Rico's energy conservation plan, issued in compliance with the Energy Policy and Conservation Act (42 U.S.C. 6201 *et seq*).

26. POLITICAL ACTIVITY

The SUBRECIPIENT agrees to comply with mandatory standards and policies relating to Hatch Political Activity Act (Hatch Act), 5 U.S.C. §§ 1501–1508, which limits the political activity of employees.

The SUBRECIPIENT shall comply with the Hatch Act and shall ensure that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of the Hatch Act, 5 U.S.C. §§ 1501–1508.

The Hatch Act applies to political activities of certain state and local employees. As a PRDOH's SUBRECIPENT, you may participate in any of the following activities: be a candidate in nonpartisan elections; attend political meetings and conventions; contribute money; campaign in partisan elections; and hold office in political parties.

The SUBRECIPIENT may not do the following activities: be a candidate in partisan elections; use official influence to interfere in elections; coerce political contributions

from subordinates in support of political parties or candidates the office of special counsel operates a website that provides guidance concerning hatch act issues.

27. HEALTH AND SAFETY STANDARDS

All parties participating in this project agree to comply with Sections 3702 and 3704 (a) of the Contract Work Hours and Safety Standards Act (CWHSSA), 40 U.S.C. §§ 3702 and 3704. Section 3704 (a) of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions, which are unsanitary, hazardous, or dangerous to his or her health and safety as determined under construction, safety, and health standards promulgated by the Secretary of Labor. These requirements do not apply to a contract to acquire a commercial product (as defined in 41 U.S.C. § 103) or a commercial service (as defined in 41 U.S.C. § 103a).

28. PERSONNEL

The SUBRECIPIENT represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of, or have any contractual relationship with, the contracting party. All the services required hereunder will be performed by the SUBRECIPIENT or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and local law to perform such services. No person who is serving sentence in a penal or correctional institution shall be employed on work under this SRA.

29. WITHHOLDING OF WAGES

If in the performance of this Agreement, there is any underpayment of wages by the SUBRECIPIENT or by any subcontractor thereunder, the PRDOH may withhold from the SUBRECIPIENT out of payment due to him or her an amount sufficient to pay to employees underpaid the difference between the wages required thereby to be paid and the wages actually paid such employees for the total number of hours worked. The amounts withheld may be disbursed by the PRDOH for and on account of the SUBRECIPIENT or subcontractor to the respective employees to whom they are due.

30. CLAIMS AND DISPUTES PERTAINING TO WAGE RATES

Claims and disputes pertaining to wage rates or to classifications of professional staff or technicians performing work under this SRA shall be promptly reported in writing by the SUBRECIPIENT to the PRDOH for the latter's decision, which shall be final with respect thereto.

31. DISCRIMINATION BECAUSE OF CERTAIN LABOR MATTERS

No person employed on the services covered by this Agreement shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer.

32. INTEREST OF MEMBERS OF LOCAL PUBLIC AGENCY AND OTHERS

The SUBRECIPIENT agrees to establish safeguards to prohibit employees from using positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have a family, business, or other tie. The SUBRECIPIENT will be aware of and avoid any violation of the laws of this State which prohibit municipal officers and employees from having or owning any interest or share, individually or as agent or employee of any person or corporation, either directly or indirectly, in any contract made or let by the governing authorities of such municipality for the construction or doing of any public work, or for

the sale or purchase of any materials, supplies or property of any description, or for any other purpose whatsoever, or in any subcontract arising therefrom or connected therewith, or to receive, either directly or indirectly, any portion or share of any money or other thing paid for the construction or doing of any public work, or for the sale or purchase of any property, or upon any other contract made by the governing authorities of the municipality, or subcontract arising therefore or connected therewith.

The SUBRECIPIENT will also be aware of and avoid any violation of the laws of this State which prescribe a criminal penalty for any public officer who has an interest in any contract passed by the board of which he or she is a member during the time he or she was a member and for one year thereafter.

33. INTEREST OF CERTAIN FEDERAL OFFICERS

No member of, or delegate to, the Congress of the United States and no Resident Commissioner shall be admitted any share or part of this Agreement or to any benefit to arise therefrom.

34. INTEREST OF SUBRECIPIENT

The SUBRECIPIENT agrees that it presently has no interest and shall not acquire any interest, direct or indirect, in the above described project or any parcels therein or any other interest which would conflict in any manner or degree with the performance of the Work hereunder. The SUBRECIPIENT further agrees that no person having any such interest shall be employed in the performance of this Agreement.

35. RELIGIOUS ACTIVITY

The SUBRECIPIENT, in compliance with 24 C.F.R. 570.200(j) and 24 C.F.R. § 5.109 (c), agrees to provide equal participation to faith-based organizations in HUD programs and activities and to abstain from disfavoring any faith-based organization, including by failing to select a faith-based organization, disqualifying an faith-based organization, or imposing any condition or selection criterion that otherwise disfavors or penalizes an faith-based organizations in the selection process using any funds related to this Agreement.

36. FLOOD DISASTER PROTECTION ACT OF 1973

The SUBRECIPIENT will ensure that procedures and mechanisms are put into place to monitor compliance with all flood insurance requirements as found Section 202(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. 4106, and the regulations in 44 C.F.R. Parts 59 through 79 and 24 C.F.R. § 570.605.

37. LEAD BASED PAINT

The SUBRECIPIENT must comply with the regulations regarding lead-based paint found at 24 C.F.R. Part 35, Subpt. A on LEAD-BASED PAINT POISONING PREVENTION IN CERTAIN RESIDENTIAL STRUCTURES with regards to all housing units assisted using CDBGDR/MIT funds.

38. VALUE ENGINEERING

(Applicable to construction contracts exceeding $2,000 when required by Federal Program legislation.)

The SUBRECIPIENT must comply with the regulations regarding systematic and organized approach to analyze functions of systems, equipment, facilities, services, and materials to ensure they achieve their essential functions at the lowest cost consistent to life cycle in execution, reliability, quality, and safety, in accordance with 2 C.F.R. § 200.318(g).

39. GENERAL COMPLIANCE

The SUBRECIPIENT shall comply with all applicable provisions of the Housing and

Community Development Act of 1974, as amended, and the regulations at 24 C.F.R. § 570, as modified by the Federal Register notices that govern the use of CDBGDR/MIT funds available under this Agreement. See Federal Register Notice 83 FR 5844 (February 9, 2018). Notwithstanding the foregoing, (1) the SUBRECIPIENT does not assume any applicable of the PRDOH's responsibilities for environmental review, decision making, and action, described in 24 C.F.R. Part 58 and (2) the SUBRECIPIENT does not assume any applicable of the PRDOH's responsibilities for initiating the review process under the provisions of 24 C.F.R. Part 52.

The SUBRECIPIENT shall also comply with all other applicable Federal, state and local laws, regulations, and policies that govern the use of the CDBG-DR/MIT funds in complying with its obligations under this Agreement, regardless of whether CDBGDR/MIT funds are made available to the SUBRECIPIENT on an advance or reimbursement basis. This includes without limitation, applicable Federal Registers; 2 C.F.R. Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards; Community Development Act of 1974; 24 C.F.R. Part 570 Community Development Block Grant; applicable waivers; Fair Housing Act, 24 C.F.R. Part 35, Subpt. A; 24 C.F.R. Part 58; 24 C.F.R. Part 75; National Historic Preservation Act, and any other applicable state laws or regulations, including the requirements related to nondiscrimination, labor standards and the environment; and Action Plan amendments and HUD's guidance on the funds.

Where waivers or alternative requirements are provided for in the applicable Federal Register Notice dated February 9, 2018, at 83 FR 5844 or any future Federal Register Notice published by HUD ("HUD Notices"), such requirements, including any regulations referenced therein, shall apply.

The SUBRECIPIENT also agrees to comply with all other applicable Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines, whether existing or to be established, provided the same are applied to activities occurring after the date the policy or guideline was established, governing the Grant Funds provided under this Agreement. In the event a conflict arises between the provisions of this Agreement and any of the foregoing, the Federal, State, and local laws, regulations, HUD Notices, policies, and guidelines shall control and this Agreement shall be interpreted in a manner so as to allow for the terms contained herein to remain valid and consistent with such Federal, State, and local laws, regulations, HUD Notices, policies and guidelines.
The SUBRECIPIENT shall also comply with applicable PRDOH's policies and guidelines as established in Program Guidelines and their amendments, if any, as found in the CDBG-DR Website (https://recuperacion.pr.gov/) which are herein included and made integral part of this Agreement, as it may be updated from time to time.

40. DUPLICATION OF BENEFITS

The SUBRECIPIENT shall not carry out any of the activities under this Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. § 5155) and described in Appropriations Act. The SUBRECIPIENT must comply with HUD's requirements for duplication of benefits, imposed by Federal Register notice on the PRDOH, which are published in a separate notices entitled: "Clarification to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (November 16, 2011, 76 FR 71060); "Updates to Duplication of Benefits Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees" (June 20, 2019, 84 FR 28836); and "Applicability of Updates to Duplication of Benefits

Requirements Under the Stafford Act for Community Development Block Grant (CDBG) Disaster Recovery Grantees," (June 20, 2019, 84 FR 28848). The SUBRECIPIENT shall carry out the activities under this Agreement in compliance with PRDOH's procedures to prevent duplication of benefits.

41. DRUG-FREE WORKPLACE

The SUBRECIPIENT must comply with drug-free workplace requirements in 2 C.F.R. §§ 182.200 through 182.230 of the Drug-Free Workplace Act of 1988, 41 U.S.C. §§ 81018106.

42. HOLD HARMLESS

The SUBRECIPIENT shall and hereby agrees to hold harmless, defend (with counsel acceptable to the PRDOH) and indemnify the Government of Puerto Rico, PRDOH, HUD and each and all of its successors, affiliates, or assigns, and any of their employees, officers, directors, attorneys, consultants, agents, managers, and affiliates, from and against any and all damages, costs, attorneys' fees, claims, expenses, injuries, property damage, causes of action, violations of law, violations of this Agreement, and losses of any form or nature arising from or related to the conduct of the SUBRECIPIENT in the performance of the efforts called for in this Agreement. This indemnity shall expressly include, but is not limited to, the obligation of the SUBRECIPIENT to indemnify and reimburse the PRDOH for any and all attorneys' fees and other litigation or dispute resolution costs incurred or to be incurred in the PRDOH's enforcement of this Agreement or any portion thereof against the SUBRECIPIENT or otherwise arising in connection with the SUBRECIPIENT's breach, violation, or other noncompliance with this Agreement. This clause shall survive indefinitely the termination of this Agreement for any reason.

43. PRDOH RECOGNITION

Unless otherwise directed by the PRDOH, the SUBRECIPIENT shall ensure recognition of the role of HUD and the PRDOH in providing funding, services, and efforts through this Agreement. Unless otherwise directed by the PRDOH, all activities, facilities, and items utilized pursuant to this Agreement shall be prominently labeled as to role of HUD and of the PRDOH. In addition, the SUBRECIPIENT shall include a reference to the support provided herein in all publications made possible with funds made available under this Agreement. The PRDOH reserves the right to direct specific reasonable recognition requirements on a case-by-case basis, including but not limited, to the size and content, waiver, removal or addition of such recognition.

44. LOGOS CLAUSE

The Parties hereto will not use the name of the other party, seals, logos, emblems or any distinctive trademark/ trade name, without the prior written express authorization of the other party.

45. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

The SUBRECIPIENT shall comply with the applicable provisions in 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200.

46. FINANCIAL & PROGRAM MANAGEMENT

The SUBRECIPIENT shall expend and account for all CDBG-DR/MIT funds received under this Agreement in accordance with 2 C.F.R. § 200.302 and 2 C.F.R. § 200.303

and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation for all costs incurred.

The SUBRECIPIENT shall administer its program in conformance with Cost Principles as outlined in 2 C.F.R. § 200.400 through 2 C.F.R. § 200.476, as applicable. These principles shall be applied for all costs incurred whether charged on a direct or indirect basis.

47. DOCUMENTATION AND RECORD KEEPING

The SUBRECIPIENT shall maintain all records required by applicable law to be maintained, including but not limited to the Federal regulations specified in (1) 2 C.F.R. Part 200; (2) 24 C.F.R. § 570.506; and (3) the applicable HUD Notices that are pertinent to the activities to be funded under this Agreement, as well as any additional records required by the PRDOH. Such records shall include but not be limited to:

a. Records providing a full description of each activity undertaken;
b. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG-DR/MIT programs, as modified by the HUD Notices;
c. Records required to determine the eligibility of activities;
d. Records required to document the acquisition, improvement, use, or disposition of real property acquired or improved with CDBG-DR/MIT funds;
e. Records documenting compliance with the fair housing and equal opportunity components of the CDBG-DR/MIT program;
f. Financial records as required by (1) 24 C.F.R. § 570.502; and (2) 2 C.F.R. Part 200;
g. Other records necessary to document compliance with Subpart K of 24 C.F.R. Part 570.

48. ACCESS TO RECORDS

The Government of Puerto Rico, the PRDOH, HUD, the Comptroller General of the United States, or any of their duly authorized representatives, shall have at any time and from time to time during normal business hours, access to any work product, books, documents, papers, and records of the SUBRECIPIENT which are related to this SRA, for the purpose of inspection, audits, examinations, and making excerpts, copies and transcriptions.

49. RECORD RETENTION AND TRANSMISSION OF RECORDS TO THE PRDOH

The SUBRECIPIENT shall retain all official records on programs and individual activities shall be retained for the greater of **five (5) years**, starting from the closeout of the grant between PRDOH and HUD, or the end of the affordability period for each housing activity, whichever is longer. If any other laws and regulations as described in 24 C.F.R. § 570.490 applies to a project, the record retention period may be extended. All records involved in litigation, claims, audits, negotiations, or other actions, which have started before the expiration date of their retention, will be kept until completion of the action and resolution of all issues or the end of the regular **five (5) years period**, whichever is longer. (See 2 C.F.R. § 200.334 and 24 C.F.R. § 570.490(d).)

Records shall be made available to PRDOH upon request.

50. CLIENT DATA AND OTHER SENSITIVE INFORMATION

In the event that the SUBRECIPIENT comes to possess client data and other sensitive information as a result of this Agreement, then the SUBRECIPIENT shall maintain client

data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to PRDOH monitors or their designees for review upon request.

The SUBRECIPIENT must comply with 2 C.F.R. § 200.303 and shall take reasonable measures to safeguard protected personally identifiable information, as defined in 2 C.F.R. § 200.82, and other information HUD or the PRDOH designates as sensitive or the SUBRECIPIENT considers sensitive consistent with applicable Federal, state, local, and tribal laws regarding privacy and obligations of confidentiality. Additionally, the Subrecipient must comply with the *PRDOH CDBG-DR Personally Identifiable Information, Confidentiality, and Nondisclosure Policy,* as found in the CDBG-DR Website (https://recuperacion.pr.gov/en/download/personally-identifiable-informationconfidentiality-and-nondisclosure-policy/), which is herein included and made integral part of this Agreement, as it may be updated from time to time

The SUBRECIPIENT shall comply with all State or local requirements concerning the privacy of personal records, consistent with 24 C.F.R. § 570.508 (local governments) and § 570.490(c) (States).

51. CLOSE-OUT

The SUBRECIPIENT's obligation to PRDOH shall not end until all close-out requirements are completed. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the PRDOH), properly addressing Program Income (as that term is defined in Section VI (A)(19) of the HUD Notice 83 FR 5844, 5856 (February 9, 2018, as may be amended by HUD)), balances, and accounts receivable to the PRDOH), determining the custodianship of records, and the SUBRECIPIENT certification of compliance with the terms of this Agreement. Notwithstanding the foregoing, the terms of this Agreement shall remain in effect during any period that the SUBRECIPIENT has control over CDBG-DR/MIT funds, including Program Income.

Notwithstanding the terms of 2 C.F.R. § 200.343, upon the expiration of this Agreement, the SUBRECIPIENT shall transfer to the recipient any CDBG-DR/MIT funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBGDR/MIT funds, further, any real property under the SUBRECIPIENT's control that was acquired or improved in whole or in part with CDBG-DR/MIT funds (including CDBGDR/MIT funds provided to the SUBRECIPIENT in the form of a loan) shall be treated in accordance with 24 C.F.R. § 570.503(b)(7).

52. AUDITS AND INSPECTIONS

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to the PRDOH, HUD, and the Comptroller General of the United States, or any of their authorized representatives, at any time during normal business hours, as often as deemed necessary, to audit, examine, and make excerpts or transcripts of all relevant data. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within **thirty (30) days** after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements shall constitute a violation of this Agreement and may result in the withholding of future payments and/or termination.

53. SINGLE AUDIT

The SUBRECIPIENT must be audited as required by 2 C.F.R. Part 200, Subpt. F, when the SUBRECIPIENT's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in 2 C.F.R. § 200.501 (Audit requirements). Once said threshold is reached or exceeded, the SUBRECIPIENT shall notify the PRDOH and shall report that event in the corresponding monthly progress report, as provided in Part VI - Performance, Monitoring, and Reporting, Subpart B (Reporting) of this Agreement.

The SUBRECIPIENT shall procure or otherwise arrange for the audit to be conducted for that year, as required in 2 C.F.R. § 200.501(a)-(b); moreover, that it is properly performed and submitted when due in accordance with provisions that include but are not limited to those set forth in 2 C.F.R. § 200.512 (Report submission), as stated in 2 C.F.R. § 200.508(a) (Auditee responsibilities).

Among other relevant provisions, the SUBRECIPIENT shall comply with: (a) the Electronic submission of data and reports to the Federal Audit Clearinghouse (FAC) (2 C.F.R. § 200.512(d)) and; (b) ensuring that reports do not include protected personally identifiable information as set forth in 2 C.F.R. § 200.512(a)(2)).

54. INSPECTIONS AND MONITORING

The SUBRECIPIENT shall permit the PRDOH and auditors to have access to the SUBRECIPIENT's records and financial statements as necessary for the PRDOH to meet the requirements of 2 C.F.R. Part 200.

55. CORRECTIVE ACTIONS

The PRDOH may issue management decisions and may consider taking enforcement actions including but not limited to corrective actions in 24 C.F.R. § 570.910 if noncompliance is detected during monitoring and audits. The PRDOH may require the SUBRECIPIENT to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the SUBRECIPIENT from the pass-through entity detected through audits, on-site reviews, and other means. A timely and appropriate action shall be predicated on reasonable standard wherein the SUBRECIPIENT utilizes all available resources to correct the noted issue or issues. In response to audit deficiencies or other findings of noncompliance with this Agreement, the PRDOH may impose additional conditions on the use of the CDBG-DR/MIT funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

56. NONDISCRIMINATION

The SUBRECIPIENT shall comply with 24 C.F.R. Part 6, which implements the provisions of Section 109 of Title I of the Housing and Community Development Act of 1974, 42 U.S.C. § 5309. Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The SUBRECIPIENT shall adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975, 42 U.S.C. §§ 6101-6107 (**Age Discrimination Act**) and the prohibitions against discrimination on the basis of disability under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. § 794 (Section 504). Section 109 of the Housing and Community Development Act of 1974 makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR/MIT funds. Thus, the SUBRECIPIENT shall comply with regulations of 24 C.F.R.

Part 8, which implement Section 504 for HUD programs, and the regulations of 24 C.F.R. Part 146, which implement the Age Discrimination Act for HUD programs.

The SUBRECIPIENT shall ensure that all CDBG-DR/MIT activities conducted by itself or its contractors are consistent with the applicable federal and local legal provisions, regulations, and policies that prohibit discrimination on the basis of race, creed, color, national origin, religion, sex, disability, familial status, actual or perceived sexual orientation or gender identity, marital status, or age, as established in the CDBG-DR Fair Housing and Equal Opportunity (FHEO) Policy for CDBG-DR Programs.[1]

57. ARCHITECTURAL BARRIERS ACT AND THE AMERICANS WITH DISABILITIES ACT

The SUBRECIPIENT shall ensure that its Activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act.

The Architectural Barriers Act of 1968, 42 U.S.C. §§ 4151-4156, requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that ensure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 C.F.R. § 40.2 or the description of "facilities" in 41 C.F.R. § 102–76.60 are subject to the requirements of the Architectural Barriers Act of 1968 and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 C.F.R. Part 40 for residential structures, and 41 C.F.R. Subt. C, Ch. 102, for general type buildings).

The Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. § 12101 *et seq.* (**ADA**), provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services, and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

The SUBRECIPIENT agrees to comply with the non-discrimination in employment and contracting opportunities laws, regulations, and executive orders referenced in 24 C.F.R. § 570.607, as revised by Executive Order 13279. The applicable non-discrimination provisions in Section 109 of the HCDA are still applicable.

58. TITLE VI OF THE CIVIL RIGHTS ACT OF 1964 (24 C.F.R. PART 1)

1) <u>General Compliance:</u>

The SUBRECIPIENT shall comply with the requirements of Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d *et seq.*, and 24 C.F.R. § 570.601 and § 570.602. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this Agreement. The specific nondiscrimination provisions at 24 C.F.R. § 1.4 apply to the use of these funds. The SUBRECIPIENT shall not intimidate, threaten, coerce, or discriminate against any person

[1] Follow the link for document access at the CDBG-DR Website: https://recuperacion.pr.gov/en/download/fair-housing-and-equal-opportunity-fheo-policy-for-cdbg-dr-programs/.

for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 C.F.R. Part 1, or because he or she has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 C.F.R. Part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 C.F.R. Part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

2) <u>Assurances and Real Property Covenants:</u>

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the SUBRECIPIENT assures that the program or activities described in this Agreement shall be conducted and the housing, accommodations, facilities, services, financial aid, or other benefits to be provided shall be operated and administered in compliance with all requirements imposed by or pursuant to this 2 C.F.R. Part 1.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the SUBRECIPIENT's assurance herein shall obligate the SUBRECIPIENT or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases the assurance shall obligate the SUBRECIPIENT for the period during which Federal financial assistance is extended pursuant to the contract or application.

This assurance gives the PRDOH and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR/MIT funds and provided to the SUBRECIPIENT under this Agreement, the instrument effecting any disposition by the SUBRECIPIENT of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

If the SUBRECIPIENT receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

3) <u>Women- and Minority-Owned Businesses (W/MBE)</u>

The SUBRECIPIENT shall take the affirmative steps listed in 2 C.F.R. § 200.321(b)(1) through (6) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the SUBRECIPIENT procures property or services under this Agreement. As used in this Agreement, the terms "small business" means a business that meets the criteria set forth in Section 3(a) of the Small Business Act, as amended, 15 U.S.C. § 632 (a), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish

heritage Americans, Asian- Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

In compliance with the CDBG-DR/MIT Minority and Women-Owned Business Enterprise Policy (M/WBE Policy), the SUBRECIPIENT shall complete a utilization plan to identify how they plan on successfully achieving the contracting goals for MBE and WBE's. SUBRECIPIENT shall also complete quarterly reporting to provide information on contracting opportunities and payouts provided to WBE or MBE contractors or subcontractors. SUBRECIPIENT shall also document their efforts and submit those to PRDOH on a quarterly basis. See the M/WBE Policy, as found in the CDBG-DR Website (https://recuperacion.pr.gov/) which is herein included and made integral part of this Agreement, as it may be updated from time to time.

4) Notifications

The SUBRECIPIENT will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the SUBRECIPIENT's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

5) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The SUBRECIPIENT shall, in all solicitations or advertisements for employees placed by or on behalf of the SUBRECIPIENT, state that it is an Equal Opportunity or Affirmative Action employer.

59. LABOR STANDARDS

The SUBRECIPIENT shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, 42 U.S.C. § 5310, and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis Bacon Act, as amended (40 U.S.C. § 3141, et seq.), and 29 C.F.R. Parts 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than eight (8) units.

The SUBRECIPIENT agrees to comply with 18 U.S.C. § 874 and it's implementing regulations of the U.S. Department of Labor at 29 C.F.R. Part 3 and Part 5. The SUBRECIPIENT shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the PRDOH for review upon request.

The SUBRECIPIENT is prohibited from using funds provided herein or personnel employed in the administration of the program for: political activities; inherently religious activities; lobbying; political patronage; or nepotism activities.

60. CONDUCT

1) Contracts
   a. Monitoring: As applicable, the SUBRECIPIENT will monitor all contracted services on a regular basis to assure contract compliance. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance.
   b. Content: The SUBRECIPIENT shall cause all of the provisions of this contract in its entirety to be included in and made a part of any contract executed in the performance of this Agreement, as applicable.
   c. Selection Process: The SUBRECIPIENT shall ensure that all contracts awarded after the execution of this Agreement and in the performance of such, follow the procurement policies and procedures described in this Agreement.
   d. Notification: The SUBRECIPIENT shall notify and provide a copy of any and all contracts related to this Agreement and CDBG-DR/MIT funds to the Contract Administration Area of the PRDOH CDBG-DR/MIT Legal Division within **three (3) days** of its execution.

2) Conflict of Interest
   The SUBRECIPIENT agrees to abide by the provisions of 2 C.F.R. Part 200, as applicable, and 24 C.F.R. § 570.611, which include (but are not limited to) the following:
   a. It is presumed that the SUBRECIPIENT is subject to state and local ethic laws and regulations related to the conduct of its officers, employees or agents engaged in the award and administration of this Agreement.
   b. In the event the SUBRECIPIENT is not, the SUBRECIPIENT shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of this Agreement. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would rise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the Parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, or Parties to sub Agreements. However, recipients may set standards for situations in which the financial interest is not substantial, or the gift is an unsolicited item of nominal value. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipient.
   c. No covered persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR/MIT assisted activities, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest in any contract, or have a financial interest in any contract, subcontract, or Agreement with respect to the CDBG-DR/MIT assisted activity, or with respect to the proceeds from the CDBG-DR/MIT assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for a period of **one (1) year** thereafter. For purposes of this paragraph, a "covered person" includes any person who is an employee,

agent, consultant, officer, or elected or appointed official of the PRDOH, the SUBRECIPIENT, or any designated public agency.

d. Clause of Governmental Ethics Certification of Absence of Conflict of Interests - The SUBRECIPIENT certifies that: (1) No public servant of the PRDOH has pecuniary interest in this contract. (2) No public servant of the PRDOH has solicited or accepted, directly or indirectly, for him (her),
for any member of his family unit or for any other person, gifts, allowances, favors, services, donations loans or any other thing of monetary value. (3) No public servant of the PRDOH related to this transaction, asked for or accepted any good of economic value, from any person or organization as payment for the duties and responsibilities of his employment. (4) No public servant of the PRDOH has solicited, directly or indirectly, for him (her), any member of his family unit, neither for any other person, business or organization, any good of economic value, including gifts, loans, promises, favors or services in exchange for his(her) obligations and performance of said public employment, to influence or favor any organization. (5) No public servant of the PRDOH has kinship relationship, within the fourth degree of consanguinity and second by affinity, with nobody in public employment that has faculty to influence and to participate in the institutional decisions of this Agreement.

61. CITIZEN GRIEVANCES

If the SUBRECIPIENT receives any complaint or grievance, it shall refer said complaint or grievance immediately to the PRDOH CDBG-DR/MIT Program so that PRDOH may respond appropriately.

62. TECHNICAL ASSISTANCE AND TRAININGS

The SUBRECIPIENT shall attend any and all technical assistance and/or trainings that the PRDOH requires from time to time at its discretion. Failure to attend may be considered as cause for termination.

63. DISASTER RELIEF ACCOUNT

Pursuant to Federal Register Vol. 85, No. 17, 85 FR 4681 (January 27, 2020), PRDOH must comply with an additional requirement imposed by an Order of October 26, 2017, granted by the United States District Court for the District of Puerto Rico, as may be amended from time to time. As required by the Order, grant funds or disaster relief funds received by the Commonwealth of Puerto Rico or other Non-Federal Entities (as defined by 2 C.F.R. § 200.69) shall be deposited solely into a Disaster Relief Account.

As a result thereof, under the terms of the beforementioned Court order and under the conditions of this Agreement, any and all CDBG-DR/MIT funds subawarded by PRDOH to its SUBRECIPIENTs shall be deposited into a new, separate, non-co-mingled, unencumbered account held in the name of the SUBRECIPIENT. The funds shall be used solely for eligible activities. Further, the SUBRECIPIENT shall provide and make available to PRDOH any and all documentation related to such account.

64. OCCUPATIONAL SAFETY AND HEALTH ACT OF 1970 (OSH ACT)

The SUBRECIPIENT shall comply with the Occupational Safety and Health Act of 1970 (OSH Act) as supplemented by the Department of Labor regulations. This Act created the Occupational Safety and Health Administration (OSHA). OSHA sets and enforces protective standards of safety and health in the workplace. Under the OSH Act, employers have a responsibility to provide a safe workplace.

Employers must comply with the 29 CFR 1910 General Obligations Clause of the OSH Act. This clause requires employers to maintain their workplaces free from serious recognized hazards. This includes the adoption of safety and health guidelines and the subsequent training of the employer's workforce in these.

Subrecipient whose Scope of Work includes construction activities must comply with the General Clauses, and also with provisions of 29 CFR 1926 "Construction Health and Safety Regulations". It shall be a condition of any contract for construction, alteration and/or repair, including painting and decorating, that no contractor or subcontractor for any part of the contract work shall require any worker or mechanic employed in the performance of the contract to work in an environment or in unhealthy, hazardous or dangerous working conditions to their health or safety.

END OF DOCUMENT

GOVERNMENT OF PUERTO RICO
DEPARTMENT OF HOUSING

ATTACHMENT VII

NON-CONFLICT OF INTEREST CERTIFICATION
SOCIAL INTEREST HOUSING PROGRAM
PONCE NEIGHBORHOOD HOUSING SERVICES, INC.

The Subrecipient certifies that to the best of its knowledge:

1. No public servant of this executive agency has a pecuniary interest in this agreement, contract, purchase, or commercial transaction.

2. No public servant of this executive agency has requested me or accepted from me, directly or indirectly, for him (her), for any member of his family unit or for any person, gifts, bonuses, favors, services, donations, loans or anything else of monetary value.

3. No public servant (s) requested or accepted any good of economic value, linked to this transaction, from any person of my entity as payment for performing the duties and responsibilities of their employment.

4. No public servant has requested from me, directly or indirectly, for him (her), for any member of his or her family unit, or for any other person, business, or entity, something of economic value, including gifts, loans, promises, favors or services in exchange for the performance of said public servant is influenced in my favor or of my entity.

5. I have no kinship relationship, within the fourth degree of consanguinity and second of affinity, with any public servant who has the power to influence and participate in the institutional decisions of this executive agency.

"I hereby certify under penalty of perjury that the foregoing is complete, true, and correct."

Signature	*Date*
Elizabeth Colón Rivera	**Executive Director**
Printed Name	*Position*